FD-340 (Rev. 7-29-92)

Universal Case File Number 196B-BA-85984-UACT (1)

Field Office Acquiring Evidence NK

Serial # of Originating Document

Date Received 5/2/96

From [redacted] b6 b7C
(Contributor)

[redacted]
(Contributor)

[redacted]
(Contributor)

By
(Name of Special Agent)

To Be Returned ☐ Yes ☒ No
Receipt Given ☐ Yes ☒ No
Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)
Federal Rules of Criminal Procedure
☐ Yes ☒ No

Title: [redacted] b6 b7C

GOLDEN TELECOM;
FBW; MF;
00: BA

Reference:
(Communication Enclosing Material)

Description: ☒ Original notes re interview of

[redacted]

STAN LEDGER AD. NY TIMES

WOMAN - TOLD To meet w/ [redacted] b6 b7C
Golden Telecom
Met w/ [redacted] at his home

Initially said 100 phone 2200 - 3000 -

Oct 95 - hired collection agency
[redacted] offers installed phones in BA. Area
to October
Offered 14 phones in BA Area

[redacted] wo/it service 14 phones

[redacted] will service phones but has to be trained b6 b7C
Phone Installer

[redacted]

[redacted]

[redacted]

[redacted]

[redacted]

Pay Phones - Protel 2000 - Florida

FD-340 (Rev. 8-18-89)

-UA (2)

Universal File Case Number 196b-BA-85984

Field Office Acquiring Evidence _____

Serial # of Originating Document _____

Date Received _____

From _____
(Name of Contributor)

_____
(Address of Contributor)

_____
(City and State)

By _____
(Name of Special Agent)

To Be Returned ☐ Yes ☐ No
Receipt Given ☐ Yes ☐ No
Grand Jury Material - Disseminate Only Pursuant to Rule 6 (e)
Federal Rules of Criminal Procedure
☐ Yes ☐ No

Title:

Reference: _____
(Communication Enclosing Material)

_____

Description: ☐ Original notes re interview of

Various documents provided by

[redacted]

b6
b7C

ENCLOSURES TO BALTIMORE FROM NEWARK

EC DATED 5/6/96

TO: BALTIMORE

FROM: NEWARK (196B-BA-85984) (RBRA)

GOLDEN TELECOM,
80 SHADY BEACH FARM LANE,
NORTH EAST, MARYLAND;
FBW; MAIL FRAUD;
OO: BALTIMORE

Encls.

[redacted]

132

b6
b7C

1/10/1995

55-271/212 300

PAY TO THE ORDER OF Goldman Telecoms

[redacted]

DOLLARS

[redacted]

25 Telephone

MEMO

[redacted]

SIGNATURE

* SECURE DUPLICATE

* FEDERAL RE:

13 JA '95 06

0212-0400-5

0212-0400-5

[redacted]

FROM: [redacted] 7/28/95

TO: [redacted] GOLDEN TELECOM

b6
b7C

SUBJECT: STATUS UPDATE REPORT FOR THE INSTALLATIONS

The status of the project has not been changed since the last report, a month ago dated 6/20/95. The project stands at 50% complete without any progress. Golden Telecom [redacted] in my account for the installation of additional phones.

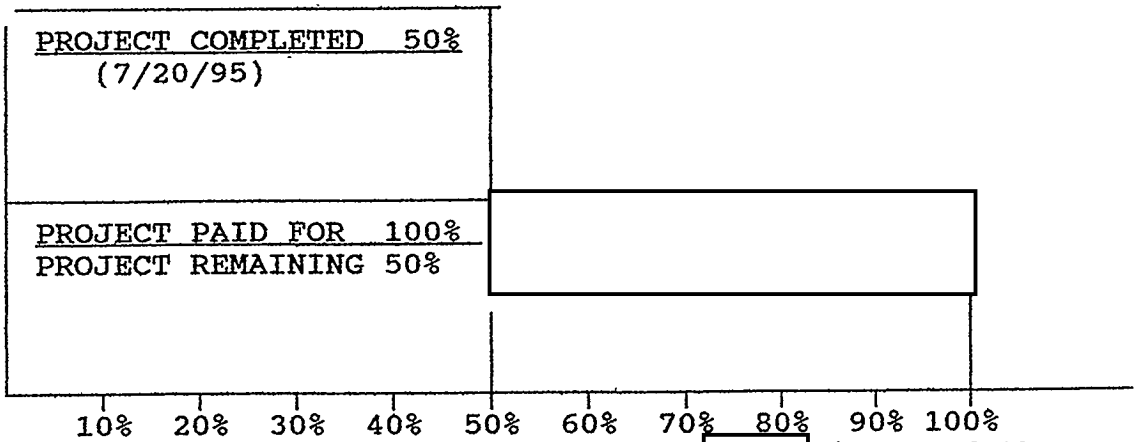
The phones at Izzys and Dunkin Donuts Rt 9 are not generating revenues, I had paid $ 1000.00 to this owner in the expectation of revenues atleast $ 400.00 p.m. You previously told me that you will find new locations for the phones that are not making money, please relocate those phones.

Please expedite the locations and installations of the remaining 14 payphones.

The phones in the Hospital are not installed yet, these phones were supposed to be completed by 5/31/95. The other discussion that was regarding the price of the phones that we could not complete because [redacted] had to leave here early, because of broken car lights. The point that I was trying to make that @ the rate of $ 135 p.m with $ 35 for maintenance and collection, I will net approximately $100 p.m it will take me forever to see any profits, and thus the prices that [redacted] wrote are not feasible. 20-24 times earning per month is a reasonable price for the phone, and is accepted norm. As agreed upon earlier we also intend to install the phones ourselves.

b6
b7C

PROJECT STATUS



(The detailes were sent earliar and [redacted] discussed those prices on phone in March, those detailes are included for ready reference now.)

[redacted]

130

12/15/1994

55-271/212 300

PAY TO THE ORDER OF Golden Telecom

[redacted]

$ [redacted]

[redacted]

DOLLARS

[redacted]

[redacted]

MEMO 14 Payphones

[redacted]

b6
b7C

[redacted]

4 DE '94 21

0212-0400-5

4 0212-0400-5 4

[redacted]

[redacted]

[redacted]

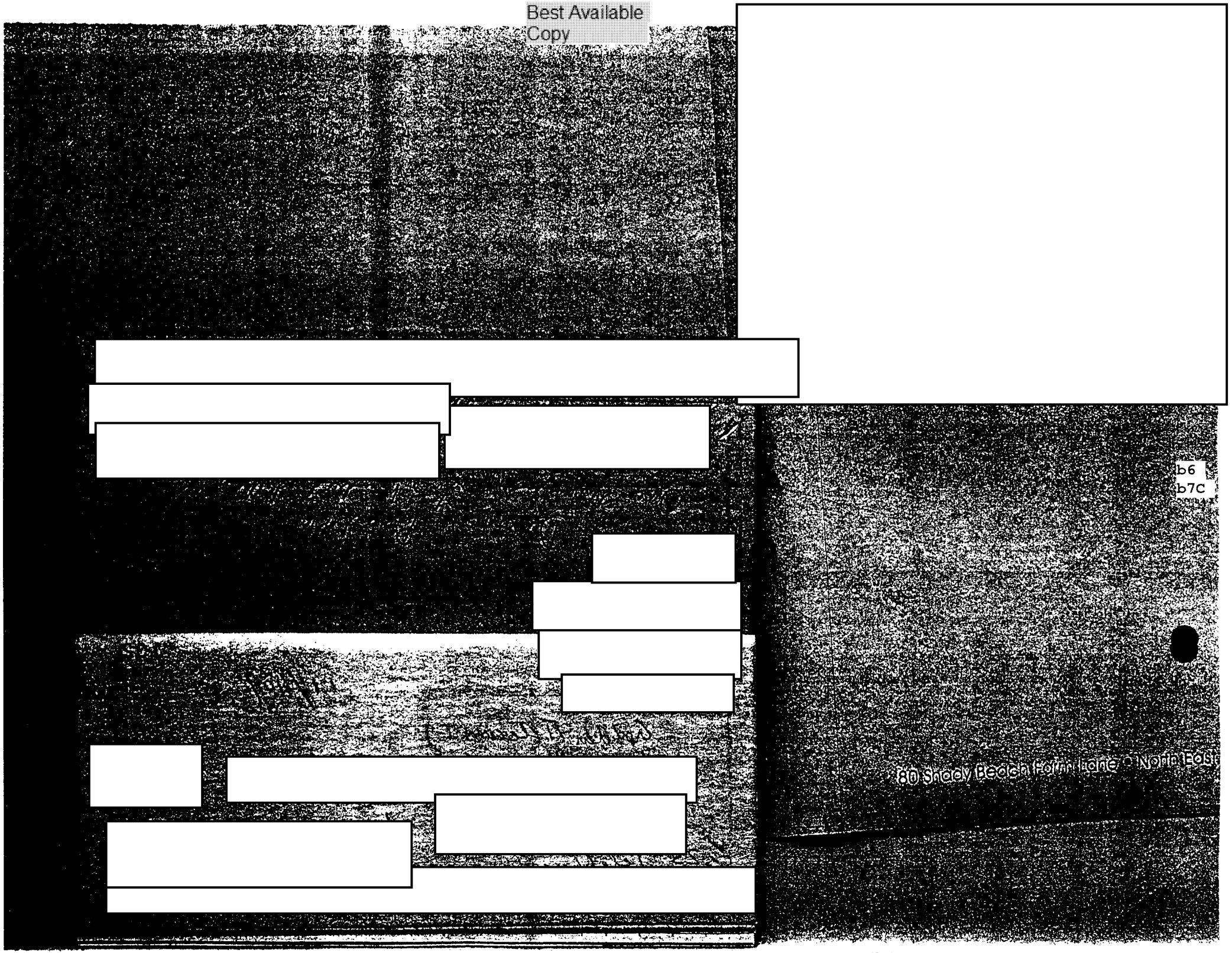
DO NOT WRITE, STA
RESERVED FOR

THIS LINE
USE *

*FEDERAL RESERVE BOARD OF GOVERNORS REG. CC

1200.00

Best Available Copy



[redacted]

b6
b7C

ACTIVE ASSETS® ACCOUNT

FOR MONTH ENDING DECEMBER 31, 1994

[redacted]

Account Number AE [redacted]

Income

Date	Activity	Description	Amount	Income Category
[redacted]				

Deposits

Date	Activity	Description	Amount	Additional Information
12-27	Branch Deposit	TRANSFER OF FUNDS	[redacted]	
		Total Deposits		

b6
b7C

Checking

Date Written	Date Paid	Check #	Payee	Amount	Expense Category
12-12	12-13	[redacted]	GOLDEN TELECOM	[redacted]	
12-15	12-21		GOLDEN TELECOM		
			Total Checking		

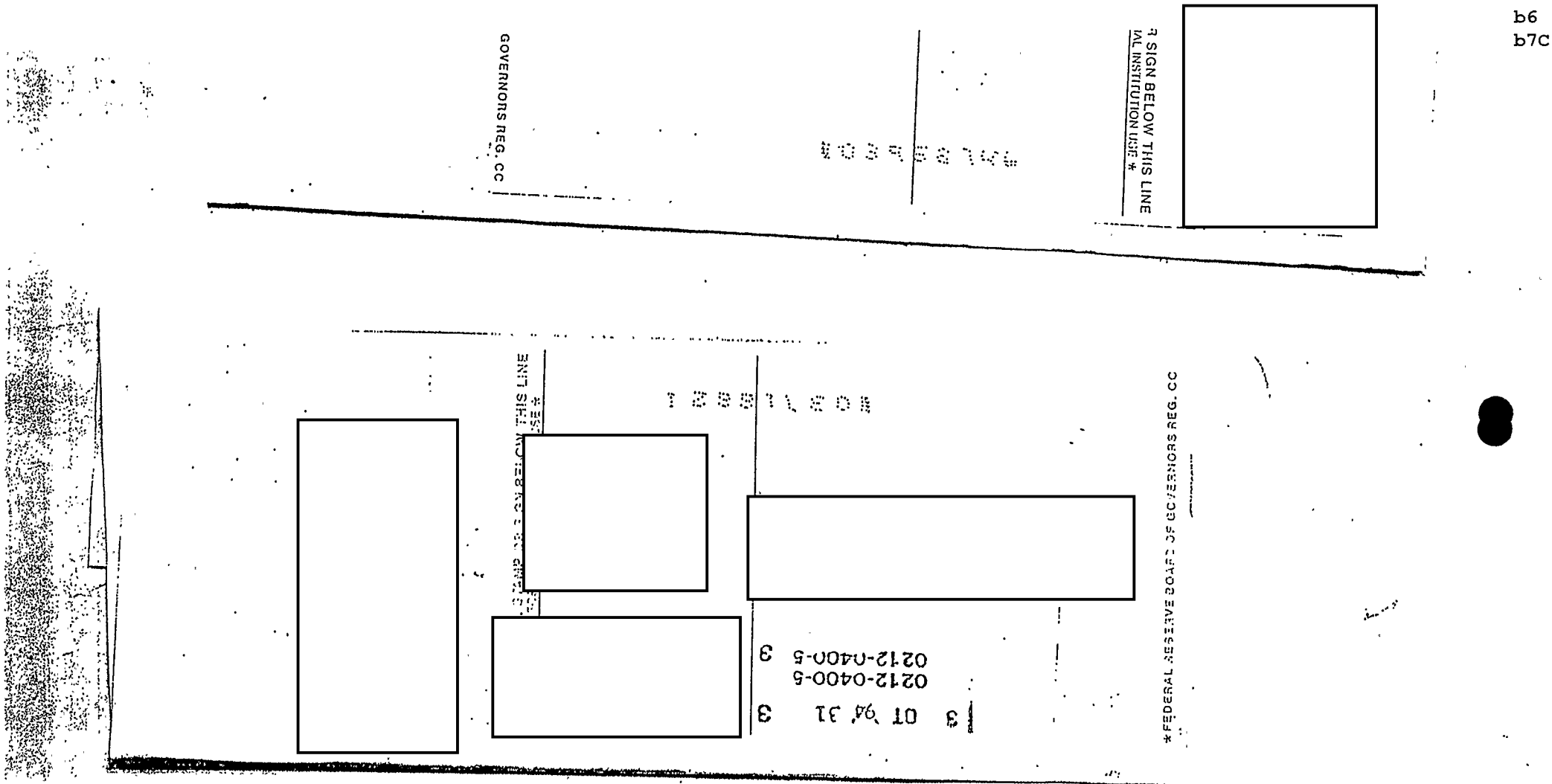
Margin Interest

Period	Average Daily Balance	Rate	Interest Charge
[redacted]			

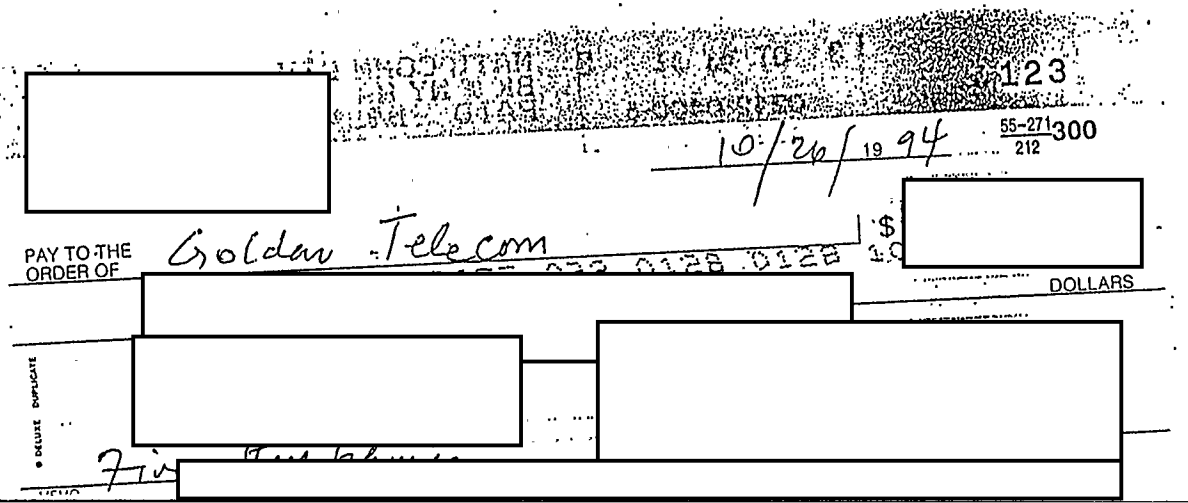
Other

Date	Activity	Description	Amount	Additional Information
[redacted]				

b6
b7C


GOVERNORS REG. CC
SIGN BELOW THIS LINE
IAL INSTITUTION USE *
*FEDERAL RESERVE BOARD OF GOVERNORS REG. CC
0212-0400-5
0212-0400-5

b6
b7C


123
10/26/1994
55-271/212
300
PAY TO THE ORDER OF
Golden Telecom
DOLLARS
DELUXE DUPLICATE

Gold MasterCard Statement

[redacted] b6 b7C

At Your Service

If you have any questions about your Account, please write to us at The Bank of New York (Delaware), P.O. Box 6988, Newark, DE 19714-6988 or call 1-800-847-9700.

FOR ACCOUNT INFO CALL 24 HOURS/DAY 7 DAYS/WEEK. FOR A REPRESENTATIVE CALL 8 AM - 11 PM ET.

To avoid additional finance charges on purchases, pay your new balance in full on or before the payment due date.

Account Summary

Account Number	[redacted]
Credit Line	
Available Credit	
Statement Date	
Payment Due Date	
New Balance	
Minimum Payment Due	
Amount Past Due	

Account Activity

Previous Balance	[redacted]
Payments	-
Other Credits	-
Purchases	+
Cash Advances	+
Other Debits	+
FINANCE CHARGE	+
New Balance	=

Transactions

Transaction Date	Posting Date	Transaction Description	Reference Number	Amount

Finance Charge Calculation

	Balance Subject to Finance Charge	Monthly Periodic Rate	FINANCE CHARGE at Periodic Rate	FINANCE CHARGE Transaction Fees	FINANCE CHARGE Total	Nominal Annual Percentage Rate	ANNUAL PERCENTAGE RATE
Purchases	[redacted]						
Cash Advances							

b6 b7C

About Your Account

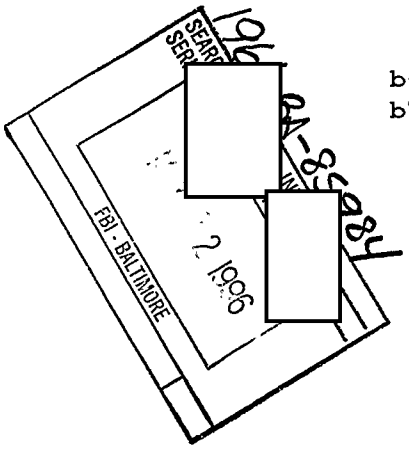
FEE REBATE STATUS: USAGE TO DATE = [redacted]

ADDITIONAL USAGE NEEDED BY 01/12/97 TO REACH A REBATE = [redacted]

[redacted]

[redacted]

PREFERRED MASTERCARD



b6
b7C

FEDERAL BUREAU OF INVESTIGATION
FOI/PA
DELETED PAGE INFORMATION SHEET
FOI/PA# 1496500-000

Total Deleted Page(s) = 49
Page 18 ~ Duplicate;
Page 20 ~ Duplicate;
Page 21 ~ Duplicate;
Page 26 ~ Referral/Direct;
Page 27 ~ Referral/Direct;
Page 28 ~ Referral/Direct;
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Complaint Form
FD-71 (Rev. 2-15-86)

NOTE: Hand print names legibly; handwriting satisfactory for remainder.
Indices: [X] Negative [ ] See below

Subject's name and aliases	Character of case
GOLDEN TELECOM 80 SHADY BEACH FARM LANE BALTIMORE, MD 21901	TELEMARKETING
	Complainant [ ] Protect Source [redacted] b6 b7C
	Complaint received [ ] Personal [X] Telephonic Date 2/15/95 Time 10:30 AM
Address of subject	Complainant's address and telephone number [redacted]

Race	Sex	Height	Hair	Build	Birth date and Birthplace
	[ ] Male				
Age	[ ] Female	Weight	Eyes	Complexion	Social Security Number
Scars, marks or other data					

Facts of complaint

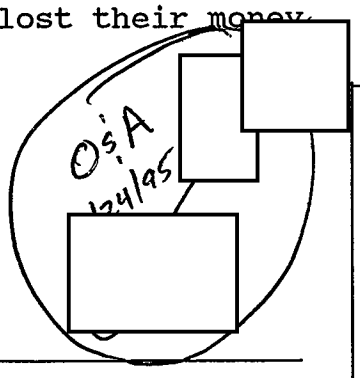
Writer was contacted by [redacted] concerning a possible telemarketing fraud. b6 b7C

[redacted] stated that he use to work as a salesperson for GOLDEN TELECOM selling coin operated telephones. The owner of GOLDEN TELECOM is [redacted]

[redacted] stated that GOLDEN TELECOM is advertised all around the country in different newspapers. The advertisement reads, "Pay Phone Routes, Call for Information, 1-800-210-8643." b6 b7C

[redacted] stated that he stopped working for GOLDEN TELECOM because [redacted] stated that he has proof that [redacted] taking the customers money, which was $3,000 per phone, and spending their money to buy phones for himself. [redacted] also stated that these customers never did receive the pay phones.

[redacted] is running a telemarketing operation and that he has the list of customers which have not received the pay phones and have lost their money.



196B-BA-[redacted]

Do not write in this space

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]
FEB 2[redacted]
FBI – BALTIM[redacted]

b6 b7C

IA [redacted]
(Complaint received by)

BLOCK STAMP

FD-340a (Rev. 11-12-89)

(Title) _____

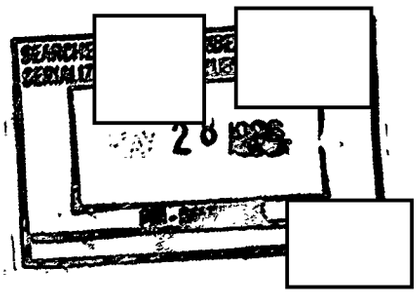
(File No.) 1966-BA-85984-UA's

Item	Date Filed	To be returned Yes	To be returned No		Disposition
1	5-27-96		X	Orig notes re [redacted]	
2	"		X	Various documents provided by [redacted]	
3	"		X	Reports re [redacted]	
4	"		X	Orig notes re [redacted]	
5	"		X	Orig notes re [redacted]	
6	5-27-96		X	Copies of checks from [redacted]	

b6
b7C

1966-BA-85984-UA's

See Red Wallet



b6
b7C

(02/31/95)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE **Date:** 10/24/1995

To: Baltimore **Attn:** White Collar Crime Squad

From: Philadelphia
Lansdale RA
Contact: SA [redacted] (215) 368-6556

INDICES SEARCHED
☐ UCFN
☒ FOIMS
☒ MANUA
☐ CIU
☐ ELSUR

Approved By: [redacted]

Drafted By: [redacted]

File Number(s): 196D-BA-NEW (Referred Upon Completion)

Title: [redacted]
dba Golden Telecom,
North East, MD
FBW;
MF

196 B.BA.85984 *

Synopsis: Three victims in the Philadelphia area reported to the Lansdale RA they purchased pay telephones through [redacted] answering an ad in the newspaper. [redacted] Golden Telecom, failed to provide any of the telephones to the victims, in the amounts of $12,592, $80,000, and $40,000, respectively.

Details: On 10/11/95, [redacted] advised she attempted to purchase approximately 19 pay telephones costing between $2,500 and $3,000, through [redacted] Golden Telecom, located at 80 Shady Farm Lane, North East, MD, telephones 800-548-2278, (410) 287-7787, (410) 287-0336, and (410) 287-0338. [redacted] advised that several telephones were provided to her which were used telephones registered to other individuals. She also advised that [redacted] forged her name on Bell Telephone records, renting lines for pay telephones not owned by her. [redacted] claims to have lost [redacted]

[redacted] described [redacted]

On 10/12/95, [redacted] contacted the writer and advised he also answered an ad in a newspaper during June of 1995, ordering three pay telephones from [redacted]

196 B.BA.85984 -2

SEARCHED [redacted] EX
SERIALIZED [redacted] ED
OCT 2 [redacted]
FBI — BALT [redacted]

Golden Telecom. [redacted] and has not received delivery of the telephones. He advised he has made trips to North East, MD, to discuss this with [redacted] advised that along with the telephones, [redacted] promised location and installation of them. He stated there was another individual by the name of [redacted] who was also a victim in this matter. [redacted] feels there will be many other individuals involved in this fraud, in view of the fact that [redacted] advertising in the newspaper and was promising a "turn key" type of business. b6 b7C

[redacted] described [redacted] b6 b7C

On 10/23/95, [redacted] contacted the writer and advised he entered into a contract with [redacted] He paid [redacted] for pay telephones. [redacted] stated he is still owed [redacted] in telephones and service. He mentioned he learned from [redacted] there are many other victims involved in this scheme.

LEAD(s):

Set Lead 1:

BALTIMORE

AT NORTH EAST, MD

Will attempt to interview [redacted] concerning allegations of fraud made by [redacted] and [redacted] company, Golden Telecom. b6 b7C

♦♦

Reclass to [redacted]
196A-[redacted]

196A-BA-89984-3

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted]
NOV [redacted]
FBI — BALT [redacted]

b6
b7C

TRANSMIT VIA: AIRTEL

CLASSIFICATION: _____ DATE: 9/20/95

FROM: Director, FBI

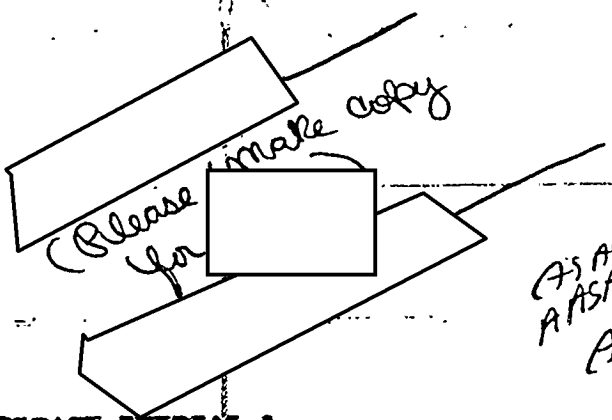
TO: All SACs
All Legats
RCA, Northeast Regional Computer Support Center
RCA, Western Regional Computer Support Center
El Paso Intelligence Center
Butte Information Technology Center
Savannah Information Technology Center
National Drug Intelligence Center

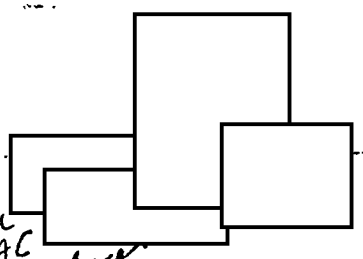
RESOURCE MANAGEMENT INFORMATION SYSTEM (RMIS)
FBI CLASSIFICATION CHANGES FOR FISCAL YEAR (FY) 1996
AND DISCONTINUATION OF PRIORITY CASE INDICATOR
(PCI)/NON-PCI DESIGNATIONS

Prior to the beginning of each fiscal year, the RMIS is reviewed for classification structure and program alignment. **The approved changes for FY 1996 are listed on the enclosed pages and become effective 10/1/95.** The full FY 1996 classification listings and 3 x 5 cards will be forwarded to your division within the next several weeks.

A significant change for FY 1996 is the elimination of the PCI/non-PCI designations for the classifications. The recommendation to eliminate PCI designations, which I approved, was made by a working group that reviewed the FBI's Time Utilization and Recordkeeping (TURK) system and found that the designations had lost their significance in recent years.

Enclosure





b6
b7C

66-3358
SEARCHED _____ INDEXED _____
SERIALIZED _____ FILED _____
SEP 2 6 1995
FBI — BALTIMORE

(cc: 66-3196)

PLEASE INITIAL &
RETURN TO SAC'S SECRETARY

Airtel to All SACs; [redacted] Legats; RCA, NERCSC; RC[redacted] WRCSC; EPIC, BITC; SITC; and NDIC
RE: Resource Management Information System (RMIS)
FBI Classification changes for Fiscal Year (FY) 1996
and Discontinuation of Priority Case Indicator
(PCI)/non-PCI Designations

TURK

The changes outlined on the enclosed pages should be brought to the attention of all Agent personnel to ensure their time is accurately recorded in the TURK system.

MONTHLY ADMINISTRATIVE REPORT (MAR)

It is anticipated that the Automated Case Support (ACS) Application will be implemented during the first week of October and come on-line 10/10/95. **Therefore, ensure that the September MAR is run in the Field Office Information Management System (FOIMS) prior to 10/10/95.** Pending cases in classifications which are changing will require supervisory review to determine whether they require reassignment to a different classification. The October MAR and all MARs thereafter, must incorporate the classification changes. Beginning 10/11/95, please use the ACS to make all necessary classification changes. The changes should be made in the Investigative Case Management (ICM) Application through the Case Maintenance Menu by selecting option #3 - "Reclassify Case." If implementation of the ACS is delayed for any reason, the classification changes should be made in FOIMS. Every effort should be made to complete all reclassifications by October 31st.

For the October MAR only, it will not be necessary for the individual beginning balances of cases by program to equal the September ending balances of cases by program. **However, the grand total of the beginning balance on the October MAR must agree with the grand total of the ending balance on the September MAR.**

Please ensure that a copy of this airtel with the attachment is brought to the attention of the Administrative Officer, Squad Supervisors, and all Agent and support employees involved with TURK/MAR. Any questions regarding the implementation of changes in ACS/FOIMS may be referred to [redacted] extension 3688. Questions regarding the new classifications or FY 1996 classification listings may be directed to [redacted] extension 4256 or [redacted] extension 3898.

b6
b7C

FY 1996 CLASSIFICATION CHANGES

MOVE FROM NFIP-IT TO NFIP-FCI THE FOLLOWING CLASSIFICATIONS

[redacted] - SEE FCI MANUAL
[redacted] - SEE FCI MANUAL
[redacted] - SEE FCI MANUAL
[redacted] - SEE FCI MANUAL
[redacted] - SEE FCI MANUAL
[redacted] - SEE FCI MANUAL

b3
b7E

MOVE FROM DOMESTIC TERRORISM TO VCMO/VC THE FOLLOWING CLASSIFICATION [redacted]

NEW CLASSIFICATION IN THE VCMO/VC PROGRAM
9C - INTERSTATE DOMESTIC VIOLENCE

CHANGE DESCRIPTION TO THE FOLLOWING CLASSIFICATION WITHIN THE OC/DP-OC/DP PROGRAM
281H - RUSSIAN/EASTERN EUROPEAN /EURASIAN ORGANIZATION

CHANGE DESCRIPTION TO THE FOLLOWING CLASSIFICATION WITHIN THE OC/DP-OCDETF PROGRAM
245H - RUSSIAN/EASTERN EUROPEAN/EURASIAN ORGANIZATION

MOVE FROM VCMO-VC TO VCMO-FUG THE FOLLOWING CLASSIFICATION
88E - CHILD SUPPORT RECOVERY ACT MATTERS

NEW CLASSIFICATIONS IN THE MISCELLANEOUS PROGRAM
66L - ADMIN. MATTERS EVIDENCE RESPONSE TEAM
66M - BICS MATTERS

CLASSIFICATION 46 (A through C) Fraud Against the Government will be eliminated as it currently exists.

A NEW SET OF CLASSIFICATIONS 46 (A through H) will replace the above and will be designated as follows:

46A Fraud Against the Government - DOD
46B Fraud Against the Government - HUD
46C Fraud Against the Government - SBA
46D Fraud Against the Government - DOL
46E Fraud Against the Government - DOT
46F Fraud Against the Government - DOED
46G Fraud Against the Government - VA
46H Fraud Against the Government - Other

FY 1996 CLASSIFICATION CHANGES

CLASSIFICATION 17 (A AND B) will be eliminated and all Fraud Against the Government - VA matters will thereafter be **classified as 46G.**

CLASSIFICATION 86 (A AND B) will be eliminated and all Fraud Against the Government - SBA matters will thereafter be **classified as 46C.**

CLASSIFICATION 147 (A AND B) will be eliminated and all Fraud Against the Government - HUD matters will thereafter be **classified as 46B.**

CLASSIFICATION 206 (A AND B) will be eliminated and all Fraud Against the Government - DOD matters will thereafter be **classified as 46A.**

CLASSIFICATION 206 (C AND D) will be eliminated and all Fraud Against the Government - DOA matters will thereafter be **classified as 46H.**

CLASSIFICATION 206 (E AND F) will be eliminated and all Fraud Against the Government - DOC matters will thereafter be **classified as 46H.**

CLASSIFICATION 206 (I THROUGH J) will be eliminated and all Fraud Against the Government - DOI matters will thereafter be **classified as 46H.**

CLASSIFICATION 207 (A AND B) will be eliminated and all Fraud Against the Government - EPA matters will thereafter be **classified as 46H.**

CLASSIFICATION 207 (C AND D) will be eliminated and all Fraud Against the Government - NASA matters will thereafter be **classified as 46H.**

CLASSIFICATION 207 (E AND F) will be eliminated and all Fraud Against the Government - DOE matters will thereafter be **classified as 46H.**

CLASSIFICATION 207 (G AND H) will be eliminated and all Fraud Against the Government - DOT matters will thereafter be **classified as 46E.**

CLASSIFICATION 208 (A AND B) will be eliminated and all Fraud Against the Government - GSA matters will thereafter be **classified as 46H.**

FY 1996 CLASSIFICATION CHANGES

CLASSIFICATION 210 (A AND B) will be eliminated and all Fraud Against the Government - DOL matters will thereafter be **classified as 46D.**

CLASSIFICATION 213 (A AND B) will be eliminated and all Fraud Against the Government - DOED matters will thereafter be **classified as 46F.**

CLASSIFICATION 196 (A THROUGH C) Fraud By Wire **will be eliminated** as it currently exists.

A NEW SET OF CLASSIFIATIONS 196 (A THROUGH D) will replace the above and will be designated as follows:

196A Fraud By Wire - Telemarketing Fraud
196B Fraud By Wire - Insurance Fraud
196C Fraud By Wire - Securities/Commodities Fraud
196D Fraud By Wire - Other National and International Frauds

CLASSIFICATION 87 (D AND E) will be eliminated and all Interstate Transportation of Stolen Property SEC & NI matters will thereafter be **classified as 196C or 196D.**

CLASSIFICATION 255 (A AND B) will be eliminated and all Counterfeiting of State and Corporate Securities matters will thereafter be **classified as 196C.**

Old Case ID. . . . . : 196B-BA-85984
New Case ID. . . . . : 196A-BA-85984
Documents Reclassified : 2

Total Reclassified . . : 2

FD-302 (Rev. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 2/28/96

[redacted] home address: [redacted] was interviewed at his place of employment, [redacted] and provided the following information regarding [redacted] doing business as Golden Telecom. b6 b7C

[redacted] Golden Telecom from [redacted] Initially, [redacted] (phonetic spelling) were in the pay telephone business [redacted] He believes that [redacted] in this venture [redacted] He believes that [redacted] now owns his own "phone route," possibly as many as twenty-five to thirty phones. [redacted] started in the business by working as a [redacted] is not sure how it happened but eventually [redacted] formed his own business (Golden Telecom) which also involved [redacted] The last phone number that [redacted] for [redacted] was a "telephone installer." [redacted] also had the capability through a computer to monitor telephone usage after it was installed. b6 b7C

[redacted] advised that he was initially referred to [redacted] that he advertised in numerous newspapers all over the country for the sale of pay telephones. He was aware that [redacted] in Phoenix, San Diego, Houston, North and South Carolina, Pennsylvania and New Jersey, as well as other unrecalled areas. To [redacted] these newspaper ads referred prospective buyers to an 800 telephone number. [redacted] the sale of pay telephones is a legitimate business but is highly competitive. He suspects that [redacted] b6 b7C b7E

Investigation on 2/13&27/96 [redacted] Virginia File # 196B-BA-85984 -5

by SA [redacted] Date dictated 2/28/96

This document contains neither recommendations nor conclus[redacted]
it and its contents are not to be distributed outside your ager[redacted]

[redacted] explained that anyone could get into the business by simply buying telephones from various manufacturers or distributors. In order for an individual to make money, the telephone must be installed in a location where it would receive high usage. The success of the business depends upon how good a salesman the "locator" is. He noted [redacted] may have started in the pay telephone business as a "locator" for an unrecalled company. It would be the responsibility of the "locator" to find a place where the phone would make money. Typically, this location would be in a place occupied by another pay telephone. For example, the locator would have to convince a 7-11 owner to replace an AT&T telephone at his/her store with a Golden Telecom telephone claiming the Golden Telecom phone would be more profitable. The property owner would receive a percentage of the profits.

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[redacted] duties would be to sell pay telephones to the public through an 800 telephone number that [redacted] would arrange to ring at [redacted] in [redacted] that the phones would cost $2,500.00 each and that clients could expect to receive their entire investment back within a year. It was assumed that after a year, the "take" from each telephone would be all profit. The $2,500.00 would include the cost of the telephone, the installation and presumably an ideal location. Payment for the service would come in one third increments. One third would be given to Golden Telecom after acceptance of the deal. The second third would be payable when the location was found. Presumably, by this time, the telephone would be ordered and the customer would pay the final third upon receipt of the telephone or the actual installation of it. All of the above services would be provided by Golden Telecom to prospective clients.

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[redacted] after several months when he [redacted] began receiving phone calls from irate customers who had not received their product but had paid for it. [redacted] was actually doing as a result of his [redacted] installer. After these conversations and after receiving numerous phone calls from irate customers, he determined that [redacted] was probably using funds from customers to finance the placement of his [redacted] apparently was also placing the names of his relatives, children, and others on these phones which were "installed" presumably in the Baltimore

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area. He believes that [redacted] may have had trouble finding competent "locators" but he [redacted] could provide no additional details regarding this. He did refer all of the complaints he received to [redacted] with the same complaints. (No product). [redacted] simply put off these individuals.

[redacted] believes that most, if not all, clients paid [redacted] in North East, Maryland. [redacted] believes that his paychecks were also drawn on this bank. [redacted]

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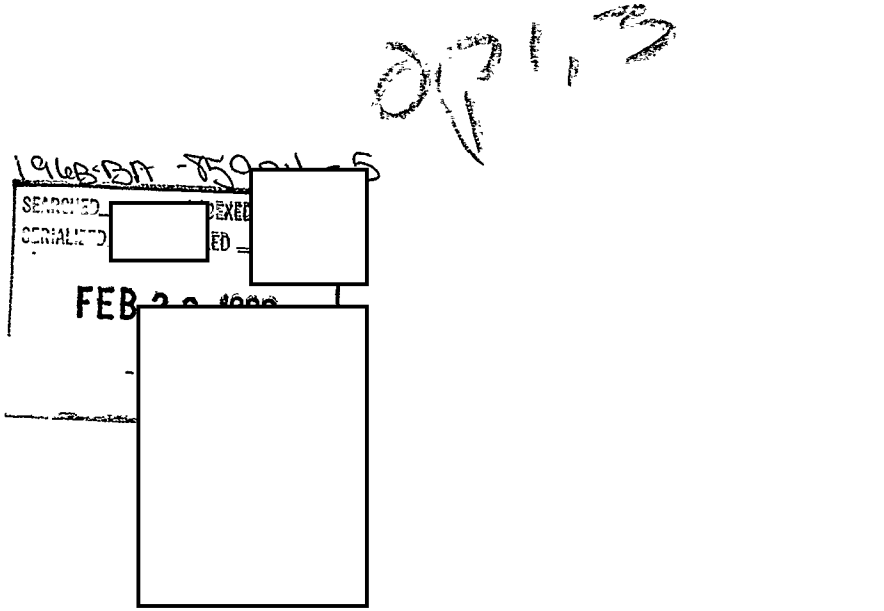

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(06/01/95)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE **Date:** 02/13/1996

To: Baltimore

From: Baltimore
Squad 5
Contact: SA [redacted] Extension: 326

Approved By: [redacted]

Drafted By: [redacted]

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Case ID #: 196B-BA-85984 (Pending)

Title: [redacted]
dba, GOLDEN TELECOM;
FBW; MF
OO: BALTIMORE

Synopsis: XXXXXXX

Details: On February 12, 1996, [redacted] provided the following information regarding captioned subject:

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[redacted] was referred to [redacted] in approximately [redacted] At the time [redacted] also advised that [redacted] also worked for [redacted] probably would have a complete list of all victims in this case. [redacted] who resides [redacted] as a result of his dealings with [redacted]

[redacted] advised that [redacted] advertised the sale of pay telephones in newspapers all over the country. During his employment with [redacted] knew that there were ads placed in Phoenix, San Diego, Houston, North and South Carolina, Pennsylvania and New Jersey, etcetera. To [redacted] only placed ads in newspapers which referred prospective buyers to an 800 telephone number. [redacted] believes that [redacted] may have initially conducted business legitimately but became greedy and eventually, never fulfilled any of his business contracts with prospective clients.

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[redacted] said that the sale of pay telephones that are purchased from different manufacturers or distributors and

[redacted]

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subsequently placed in various locations, is a very lucrative but highly competitive business. The key to the success of the business is the placement of the telephone in a location where it would receive maximum use. Part of the agreement would require the "middleman," [redacted] to find a suitable location for the phone or phones purchased by the client. It would be the job of "locators" to find these locations. In most cases, these locations would already be occupied by a phone owned by AT&T or MCI etcetera. The "locator" would have to convince the owner of the property that it would be more profitable for him (property owner) to have a Golden Telecom phone on his property as opposed to one owned by AT&T. The property owner would receive a percentage of the profits. To be successful, the "locator" must be a good salesman.

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It was [redacted] duties to convince clients to purchase phones from Golden Telecom. This would be done over the phone or in many cases, clients would travel to North East, Maryland to speak to [redacted] required that prospective clients pay him for the phones in increments. A down payment of one third was required, an additional one third to be paid upon delivery of the telephone and the final one third to be paid after completion of installation. It became apparent to [redacted] that [redacted] was obtaining the money from clients and using this money to purchase phones for himself [redacted] In the meantime, [redacted] would offer them (clients) various excuses for non-delivery and/or installation. [redacted] recalls that clients' checks were deposited to a small, unrecalled bank in North East, Maryland. He reiterated that [redacted] aware of all the victims in this case and would probably cooperate with the FBI in identifying them. [redacted] advised that it has been over a year since he has had any contact with either [redacted] and is not sure if [redacted]

[redacted]

It is noted that [redacted]

[redacted]

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To: Baltimore From: Baltimore
Re: 196B-BA-85984, 02/13/1996

The following information was obtained from Bell Atlantic Telephone Company. Telephone number [redacted] was [redacted] It was subscribed to by Golden Telecom, 80 Shady Beach Farm Lane, North East, Maryland 21901. That telephone number was recently changed to a [redacted] On February 23, 1996, a pretext telephone call was made to 800-548-2278 and was answered "Golden Telecom" by a female in her late-thirties, early-forties. Records of the Bell Atlantic Telephone Company reflect that the long distance carrier for the above 800 number is American Telephone & Telegraph.

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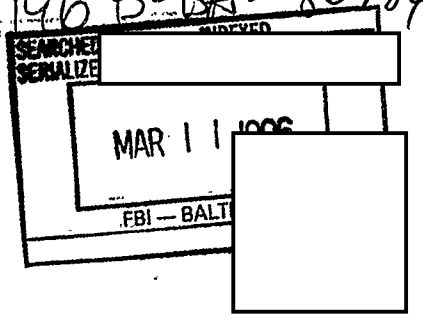
196 B-BA-85984-6



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[redacted] b6 b7C

FD-36 (Rev. 8-29-85)

FBI

Reception #1

TRANSMIT VIA:
[X] Teletype
[ ] Facsimile
[ ] AIRTEL

PRECEDENCE:
[ ] Immediate
[ ] Priority
[X] Routine

CLASSIFICATION:
[ ] TOP SECRET
[ ] SECRET
[ ] CONFIDENTIAL
[ ] UNCLAS E F T O
[X] UNCLAS

Date 3/11/96

FM FBI BALTIMORE (196B-BA-85984) (P)

TO FBI PHILADELPHIA/ROUTINE/

BT

UNCLAS

CITE: //3050:SQ 5//

SUBJECT: "CHANGED IO;" [redacted] DBA: GOLDEN TELECOM, 80 SHADY BEACH FARM LANE, NORTH EAST, MARYLAND; FBW; MF; OO: BALTIMORE. b6 b7C

TITLE MARKED "CHANGED IO" TO REFLECT SUBJECT'S FULL NAME AND COMPLETE ADDRESS. TITLE PREVIOUSLY CARRIED AS [redacted] DBA, GOLDEN TELECOM, NORTH EAST, MARYLAND; FBW; MF; OO: BALTIMORE.

RE PHILADELPHIA EC TO BALTIMORE DATED OCTOBER 24, 1995.

FOR INFORMATION PHILADELPHIA, [redacted] [redacted] GOLDEN TELECOM, WAS INTERVIEWED ON FEBRUARY 27, 1996 AND ADVISED HE WORKED FOR [redacted] b6 b7C b7E

[redacted]

196B-BA-85984-8

Approved: [redacted] Original filename: [redacted]

Time Rece[redacted] Telprep filename: [redacted]

MRI/JULIAN DATE: 1183071 ISN: [redacted]

FOX DATE & TIME OF ACCEPTANCE: SAS 2/11/96 1X117

[redacted]

[redacted] AFTER RECEIVING NUMEROUS COMPLAINT CALLS, IT BECAME APPARENT TO HIM THAT [redacted] NOT FULFILLING ANY OF HIS CONTRACTS. HE KNEW THAT [redacted] ADVERTISED IN THE NEWSPAPERS IN NUMEROUS STATES INDUCING INDIVIDUALS TO TELEPHONE GOLDEN TELECOM. b6 b7C

[redacted] SAID THAT [redacted] CHARGED $2,500.00 PER PHONE AND SET UP A PAY SCHEDULE IN ONE THIRD INCREMENTS: ONE THIRD AFTER ACCEPTANCE OF THE DEAL, THE SECOND THIRD WHEN THE LOCATION WAS LOCATED AND THE FINAL THIRD UPON RECEIPT OF THE TELEPHONE AND/OR INSTALLATION OF IT. ALL OF THESE SERVICES ARE INCLUDED IN THE $2,500.00. OBVIOUSLY, [redacted] WOULD ATTEMPT TO SELL VICTIMS AS MANY PHONES AS POSSIBLE.

[redacted] ALSO TALKED FREQUENTLY WITH [redacted] WHO WAS [redacted] BELIEVES THAT [redacted] AND [redacted] WOULD BOTH AGREE TO AN FBI INTERVIEW. b6 b7C

RECORDS OF BELL ATLANTIC - MARYLAND REFLECT THAT PHONE NUMBER [redacted] [redacted] IT WAS RE-ESTABLISHED IN [redacted] [redacted] A

FEMALE ANSWERED THE PHONE "GOLDEN TELECOM" WHEN 800-548-2278 WAS DIALED.

SUBPOENAS FOR [redacted]

[redacted] b3

[redacted] SAID THAT [redacted]

INDIVIDUAL AND WOULD PROBABLY DISCUSS THE "PAY TELEPHONE BUSINESS" WITH ANYONE HAVING AN INTEREST IN IT. [redacted]

[redacted] b6 b7C

BALTIMORE IS CURRENTLY PLANNING AN "UNDERCOVER PURCHASE" FROM [redacted]

corrected Lead: PHILADELPHIA IS REQUESTED TO RE-INTERVIEW ALL THREE VICTIMS MENTIONED IN REFERENCED EC: (1) [redacted]

[redacted]

OBTAIN COMPLETE DETAILS OF ALL CONTACTS BETWEEN VICTIMS AND [redacted] TO INCLUDE CANCELED CHECKS, CONTRACTS AND/OR ANY OTHER PERTINENT DOCUMENTATION. ALSO DETERMINE IF ANY OF THESE VICTIMS WOULD CONSIDER ENGAGING IN TAPED TELEPHONE CONVERSATIONS WITH [redacted] TO DETERMINE THE "STATUS" OF THEIR CONTRACTS. IF SO, COORDINATE WITH BALTIMORE. BALTIMORE IS NOT REQUESTING AN INTERVIEW OF [redacted] UNTIL ATTEMPTS HAVE BEEN COMPLETED TO MAKE AN UNDERCOVER PURCHASE. [redacted] SAID THAT HE IS SURE [redacted] WOULD COOPERATE BY PROVIDING COMPLETE VICTIM LISTS, ETC. HE BELIEVES [redacted] MIGHT BE COOPERATIVE.

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BT

FD-36 (Rev. 8-29-85)

FBI

[redacted]

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b7E

TRANSMIT VIA:
- [X] Teletype
- [ ] Facsimile
- [ ] AIRTEL

PRECEDENCE:
- [ ] Immediate
- [ ] Priority
- [X] Routine

CLASSIFICATION:
- [ ] TOP SECRET
- [ ] SECRET
- [ ] CONFIDENTIAL
- [ ] UNCLAS E F T O
- [X] UNCLAS

Date 3/14/96

9

FM FBI BALTIMORE (196B-BA-85984) (P)

TO FBI NEWARK/ROUTINE/

BT

UNCLAS

CITE: //3050:SQ 5//

SUBJECT: [redacted] DBA, GOLDEN TELECOM; 80 SHADY BEACH FARM LANE, NORTH EAST, MARYLAND FBW; MF; OO: BALTIMORE

FOR INFORMATION OF NEWARK, [redacted] [redacted] OF GOLDEN TELECOM WAS INTERVIEWED ON FEBRUARY 27, 1996 AND ADVISED HE WORKED FOR [redacted] [redacted] AFTER RECEIVING NUMEROUS COMPLAINT CALLS, IT BECAME APPARENT TO HIM [redacted] WAS NOT FULFILLING ANY OF HIS CONTRACTS. HE KNEW THAT [redacted] ADVERTISED IN NEWSPAPERS THROUGHOUT THE U. S. INDUCING INDIVIDUALS TO TELEPHONE GOLDEN TELECOM (800) 548-2278.

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[redacted]

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Approved: [redacted] Original filename: 196B-BA-85984-9

Time Received: [redacted] Telprep filename: [redacted]

MRI/JULIAN [redacted] ISN: [redacted]

FOX DATE & TIME OF ACCEPTANCE: 3/15/96 1313

[redacted]

[redacted] FEELS THAT [redacted] USED THE MONEY HE OBTAINED FROM VICTIMS TO SET UP HIS OWN PAY PHONE ROUTES IN BALTIMORE.

VICTIMS WERE TOLD THAT PHONES COST $2,500.00. THIS FEE INCLUDED AN IDEAL LOCATION AND INSTALLATION. PAY SCHEDULES WERE SET UP TO PAY [redacted] IN ONE THIRD INCREMENTS. THREE VICTIMS TELEPHONED THE PHILADELPHIA OFFICE IN OCTOBER 1995 CLAIMING TO HAVE LOST BETWEEN [redacted] ONE OF THESE VICTIMS WAS [redacted] [redacted] TOLD THE PHILADELPHIA OFFICE THAT HE PAID [redacted] APPARENTLY, [redacted] ALSO MET [redacted] [redacted]

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INVESTIGATION AT BALTIMORE HAS REFLECTED THAT [redacted] APPARENTLY IS STILL OPERATING AS GOLDEN TELECOM USING THE ABOVE 800 TELEPHONE NUMBER. BALTIMORE HAS RECENTLY OBTAINED SUBPOENAS FOR [redacted]

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IN VIEW OF THIS, BALTIMORE IS ATTEMPTING TO SET UP AN UNDERCOVER PURCHASE FROM [redacted]

LEADS:

NEWARK DIVISION. AT [redacted] WILL INTERVIEW [redacted] AND OBTAIN COMPLETE DETAILS OF ALL CONTACTS BETWEEN [redacted] ALSO OBTAINED CANCELED CHECKS, CONTRACTS OR ANY OTHER PERTINENT DOCUMENTATION. DETERMINE IF [redacted] WOULD CONSIDER ENGAGING IN TAPED TELEPHONE CONVERSATIONS WITH [redacted] TO DETERMINE THE "STATUS" OF HIS CONTRACT. IF HE IS WILLING, COORDINATE THIS WITH BALTIMORE.

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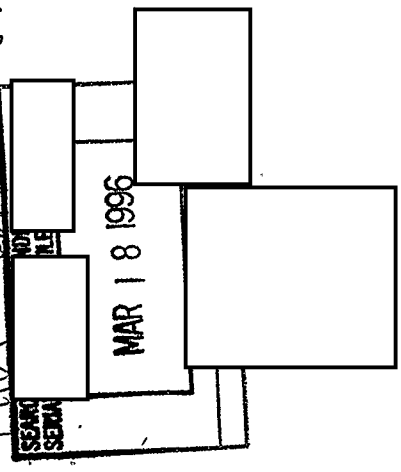
Served on: 3/18/96 (mailed + faxed)

[redacted]

Security Officer
First Nat'l Bank of Northeast



196B-BA-85984-10

(03/31/95)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE **Date:** 03/07/1996

To: Baltimore

From: Newark
RBRA
C[redacted] SA [redacted] (908) 741-0006

Approved By [redacted]

Drafted By: [redacted]

☐ NO BA LEADS FOUND
☑ CASES 3/25
☐ UNI
☐ MANUAL

[redacted] b6 b7C

File Number(s): 196A-BA-85984 (Pending)
87C-0

Title: GOLDEN TELECOM;
FRAUD BY WIRE, MAIL FRAUD;
OO: BALTIMORE

[redacted]
INTERSTATE TRANSPORTATION OF STOLEN PAY TELEPHONE ELECTRONIC COMPONENTS;
ITSP;
OO: NEWARK

Synopsis: To advise Baltimore of the theft of components of pay telephones marketed by GOLDEN TELECOM as well as identity of possible victim of fraudulent marketing practices of GOLDEN TELEPHONE.

Details: On February 13, 1996, [redacted] telephone number [redacted] telephonically contacted the Newark Division to advise that he entered into an agreement in March, 1995, to purchase approximately 36 pay telephone from GOLDEN TELECOM INC., 80 Shady Beach Farm Lane, Northeast, Maryland 20901. [redacted] advised that he first learned of this company through an advertisement in a newspaper. [redacted] stated that he dealt with an individual identified as [redacted] b6 b7C

[redacted] advised that [redacted] promised prompt delivery and installation of the telephones. [redacted] stated that he has received only 16 telephones from [redacted] has refused to provide any

196A-BA-85984-11
SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]
MAR 15 1996
FBI - BALTIMORE
[redacted] b6 b7C b7E

196A-BA-[redacted]-11
NK 87-0-4299

more equipment or service to [redacted] estimates his current losses to be approximately [redacted]

In addition, [redacted] advised that between the period January 7, 1996 and January 14, 1996, six of the pay telephones installed by GOLDEN TELECOM were stolen. [redacted] explained that the cash box, as well as the electronic component box of these phones, was removed. [redacted] stated that there was no evidence of forced removal of these boxes and both boxes could be removed with the keys provided by GOLDEN TELECOM. [redacted] stated that one of the telephones in particular was located at [redacted] He stated that he recently received the toll records for that telephone and determined that the final two telephone calls placed at that phone were placed on January 14, 1996. He stated those two telephone calls were to telephone number [redacted] He stated that his conversation with individuals in the vicinity of the phone, determined that the phone apparently was stolen shortly after these telephone calls were made. [redacted] advised that he has learned that the subscriber to telephone number [redacted] stated that [redacted] was one of the installers working for GOLDEN TELECOM in the installation of that telephone.

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[redacted] advised that he kept meticulous notes of all the installations, and service calls made by GOLDEN TELECOM. He stated that all six phones that were stolen were either installed or serviced by [redacted] who was employed by GOLDEN TELECOM at the time. [redacted] remaining phones having been serviced or installed by [redacted] stated that [redacted] individuals in the installation process. [redacted] advised that the names of those individuals were [redacted]

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[redacted] stated that since there was no evidence of forced removal of the electronic component and coin box, he believes the individual who stole the components had to have had keys for the devices.

In view of the fact that two telephone calls were placed from one of the devices to [redacted] shortly before the theft of that device it would seem logical to assume that [redacted] estimates that his total loss in the theft of the phones at this time is approximately [redacted] He stated that he is not able to change the locks on the remaining ten phones at this time, because the

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locksmiths in the area have been unable to obtain the appropriate cylinders for replacement. He, therefore, fears that he may become the victim of further thefts of these devices.

[redacted] described the telephones that were robbed as "PROTEL 2000" manufactured by a company in Orlando, Florida. b6 b7C

With regard to the initial outlay of [redacted] to [redacted] advised that he has retained an attorney and intends to file a suit for breach of contract against [redacted] is unsure whether the theft of the devices were related to [redacted] dispute with [redacted] advised that he called [redacted] after the thefts were discovered and [redacted] also suffered similar thefts to his telephones.

On February 13, 1996, Assistant United States Attorney (AUSA) [redacted] was contacted regarding the facts surrounding the theft of the telephone devices. AUSA [redacted] advised that if it could be proven that [redacted] stole the devices and transported them across state lines, he would consider prosecution under the ITSP statutes. b6 b7C

It is requested that Baltimore Division conduct a logical investigation surrounding the thefts of the telephone devices as well as reviewing the information provided by [redacted] regarding the misrepresentations made by [redacted] in marketing the telephone devices.

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AO 110 (Rev. 5/85) Subpoena to Testify Before Grand Jury

196B-BA-[illegible]

RETURN OF SERVICE (1)

RECEIVED BY SERVER	DATE 4/4/96	PLACE Baltimore, [illegible]
SERVED	DATE 4/4/96	PLACE Baltimore, [illegible]

SERVED [redacted]

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SER[redacted] ITLE Special Agent

F SERVICE FEES

TRA[redacted] TOTAL

DECLARATION OF SERVER(2)

I declare under penalty of perjury unde[redacted]ng information contained in the Return of Serv[redacted]

Executed on 4/4/96 (Date) Sig[redacted]

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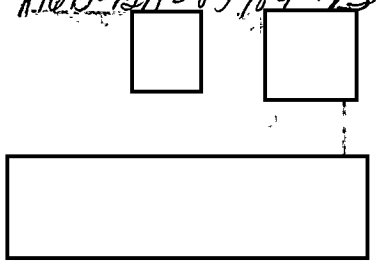
Ad[redacted]

ADDITIONAL INFORMATION

(1) As to who may serve a subpoena and the manner of its service see Rule 17(d), Federal Rules of Criminal Procedure, or Rule 45(c), Federal Rules of Civil Procedure.

(2) "Fees and mileage need not be tendered to the witness upon service of a subpoena issued on behalf of the United States or an officer or agency thereof (Rule 45(c), Federal Rules of Civil Procedure; Rule 17(d), Federal Rules of Criminal Procedure) or on behalf of certain indigent parties and criminal defendants who are unable to pay such costs (28 USC 1825, Rule 17(b) Federal Rules of Criminal Procedure)".

196B-BA-85984-13



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(06/01/1995)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE **Date:** 04/19/1996

To: Baltimore

From: Baltimore
Squad 5
Contact: SA

roved By:

fted By:

Case ID #: 196B-BA-85984 (Pending)

Title: GOLDEN TELECOM,
80 Shady Beach Farm Lane,
Baltimore, Maryland;
FBW

Synopsis: To report the status of a misdemeanor filed against in District Court, Cecil County, Maryland.

Details: On 4/19/1996, Investigator State's Attorney's Office, Cecil County, Maryland, phone advised that case number which initially was scheduled for trial in February, 1996 but has been delayed and has been rescheduled for 6/14/1996. The complainant is a who entered into an agreement with to purchase a public telephone. The complaint was filed on 11/9/1995 and served by the Maryland State Police on 12/11/1995. was subsequently interviewed by a Maryland State Police Investigator claimed that she lost in her dealings with showed her public telephones in Philadelphia in an effort to convince her to purchase public telephones. One location was presumably at a gas station which had been previously owned by another individual who had left an outstanding balance with the phone company. There was disagreement between as to who would assume the prior balance and a contract was signed. claimed that it was not her handwriting, that another employee in his office signed permission. indicated that she may pursue the case civilly against feels that the case will be dropped criminally in favor of civil action. advised that he would contact SA

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To: Baltimore From: Baltimore
Re: 196B-BA-85984, 04/19/1996

Investigator [redacted] of the Maryland State Police will be contacted regarding his interview of [redacted]

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 4/17/96

[redacted] b6 b7C appeared at the Lansdale Resident Agency to discuss a business relationship she had with [redacted] thereafter furnished the following information:

[redacted] advised that [redacted] read an advertisement in The Philadelphia Inquirer dated July 16, 1995, under Business Opportunities when a pay telephone route was available with financing through telephone number 1-800-548-2278. In response to a conversation between herself and [redacted] b6 b7C to the residence of [redacted] known as (aka) GOLDEN TELECOM, at 80 Shady Farm Lane, North East, Maryland (MD). She recalled that shortly after her trip to Maryland, she received a telephone call from [redacted] advised he had two telephones at a gas station location near her. She recalls taking a look at these locations and she did not care for them.

[redacted] advised that after further conversations with [redacted] she executed a Standard Equipment Purchase Agreement (which is attached) that conveyed ten PROTEL 2000 telephones to her with a deposit of [redacted] She advised that two free telephones would accompany this contract if it were executed by July 30, 1995. b6 b7C She stated that each telephone at a location was to cost between $2,500 and $3,500. These telephones were supposedly in place and [redacted] would later come to Philadelphia, PA, to show her these locations.

[redacted] stated the contract originally signed on July 27, 1995, was redone and ultimately signed on August 23, 1995, by her, in that she wanted the buyer's name to be ROCKOWER ENTERPRISES, INC. [redacted]

[redacted] travelled to Philadelphia on [redacted] and took her to see her telephone. She stated she saw three of the telephones, one located at 100 West Girard Avenue at the PENN TREATY store in Philadelphia; and the other two located at the COMFORT INN on b6 b7C

Investigation on 4/10/96 at Lansdale, PA

File # 196B-BA-85984 (LRA)

by SA [redacted] Date dictated 4/12/96

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

Route 13 in Levittown, PA. She stated that he emptied the boxes of these two telephones, showing her $350 collected in a week from these three telephones. She stated that from her experience with these telephones she knows that he placed the coins in the boxes before he took her to them because she said she could not receive this amount of money from those three telephones in a full month. [redacted] stated that the telephones were supposed to be new telephones in location. b6 b7C

[redacted] received a past due telephone bill listing her as "TELCOIN COMM. INC." in the amount of $163. She advised that she contacted BELL TELEPHONE OF PENNSYLVANIA (BELL OF PA) to tell them that she just took possession of the telephones and had no outstanding balance. The telephone company told [redacted] they had a change of telephone account responsibility signed by her in their possession. She advised she reviewed this contract and stated it was not signed by her. Later in a conversation with [redacted]

[redacted] stated she then signed a contract between [redacted] ROCKOWER ENTERPRISES, and PENN TREATY FOODS on East Girard Avenue in Philadelphia. She stated that attached to that contract is a check in the amount of $355 which was to repay [redacted] the money he took from the collection boxes at the three telephones and also a check in the amount of $47,383 which was to purchase the telephones at the COMFORT INN and PENN TREATY. She was told that she was paying a larger premium for these telephones because she will eventually have a contract for all the telephones at the COMFORT INN. b6 b7C

[redacted] stated that as a follow-up on the BELL OF PA contract, BELL OF PA found that the signatures were forged and were not hers. However, during this problem with BELL OF PA, the telephones at the COMFORT INN were not being operated properly and the owner of the COMFORT INN pulled them physically out of the wall. She stated they are still in his possession.

[redacted] stated her next contact with [redacted] franchise show in Pennsylvania where he was selling pay telephones under the name of TELCOIN of Marlton, New Jersey (NJ), and J. P. PROFESSIONAL SERVICES, INC., P.O. Box 196, Marlton, NJ, telephone number 1-800-494-4841. [redacted] advised that both of these operations are owned by [redacted] She provided a brochure showing the price list she received [redacted]

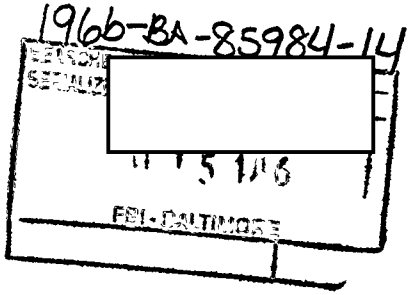
[redacted] provided the interviewing agent with a summary for the month ending February 29, 1996, reflecting the profits from the telephone located at PENN TREATY FOODS. She advised the net income after expenses was $2.75. Along with this, [redacted] provided a schedule received from [redacted] which reflects the average profit per telephone per month, ranging between $150 and $355. b6 b7C

[redacted] also provided the interviewing agent with a list of her pay telephones which she subsequently purchased from [redacted] also pay telephones she had to replace because the ones received did not work.

[redacted] provided the interviewing agent with a document she prepared which outlined the fraud and misrepresentation involving her business relationship with [redacted]

Along with the misrepresentations, [redacted] stated she had a conversation with [redacted] for GOLDEN TELECOM, who was to receive a commission on each sale. She stated she was charged $100 per telephone to be paid to him, which she understands he never received. b6 b7C

[redacted] provided copies of checks in the amounts of [redacted] which represents additional telephones purchased in August and September, 1995, from [redacted] She stated that of the 14 telephones purchased from [redacted] she never received five of these. [redacted] also provided a location purchase agreement for a 7-11 location in Hatboro, PA and a list of site locations she received by way of [redacted] which were locations where he planned on installing telephones. [redacted] provided summaries of her conversations with [redacted] She provided information regarding her contact with the State's Attorney's Office in Maryland and correspondence between herself and her attorney.



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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/6/96

[redacted] was interviewed at the Lansdale Resident Agency of the FEDERAL BUREAU OF INVESTIGATION (FBI), concerning his dealings with [redacted] GOLDEN TELECOM, North East, Maryland (MD). [redacted] furnished the following information: b6 b7C

[redacted] advised that he read an advertisement in the Bucks County Courier Times or The Philadelphia Inquirer during June of 1995 wherein an advertisement under the Business Opportunity Section was offering investors to become involved with the purchase of coin operated telephones. [redacted] advised that he contacted [redacted] and then drove to North East, MD, to meet with [redacted] While at [redacted] [redacted] walked through an adjoining carriage house where [redacted] had set up some telephones for customer display. [redacted] stated [redacted] is a [redacted] learned that [redacted] stated [redacted] was located at 80 Shady Farm Lane, North East, MD. [redacted] that he had a small office next to the house which he was converting to a business center. [redacted] stated that he learned later that none of these buildings were owned by [redacted] and that [redacted] b6 b7C

[redacted] stated that at the conclusion of his contact with [redacted] check written to GOLDEN TELECOM for deposit on three telephones. [redacted] stated that on the check it states, "deposit on five phones," when in fact it was for three telephones. [redacted] advised that no paperwork was signed at that time by him, nor were any agreements signed between himself and [redacted] came to the Philadelphia area in [redacted] and he was shown a DUNKIN' DONUTS location at 1749 Street Road, Bensalem, PA, known under the corporate name J.B. JEN, INC. He stated that two telephones would be inside DUNKIN' DONUTS and one would be outside. [redacted] b6 b7C

Investigation on 5/3/96 at Lansdale, PA

File # 196B-BA-85984 (LRA [redacted]

by SA [redacted] Date dictated 5/3/96

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

b6
b7C

was told by [redacted] that the three existing telephones there, owned by BELL ATLANTIC, generate approximately $1,000 per month net. At that point, a check in the amount of [redacted]

[redacted] stated the understanding was [redacted] would talk to the owner of the DUNKIN' DONUTS to arrange the replacement of the BELL ATLANTIC telephones with his telephones.

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After several telephone calls between [redacted], [redacted] later found out that the owner of the DUNKIN' DONUTS did not want the telephones changed from BELL ATLANTIC over to the telephones owned by [redacted]

[redacted] stated that shortly thereafter [redacted] returned to the Philadelphia area to look for new locations. He advised that they drove the entire Philadelphia area, but were unable to find a new location for his telephones.

[redacted] stated that during August or September of 1995, after nothing had happened, he drove to Maryland to talk [redacted] He accused [redacted] fabricating stories concerning his telephones, the fact that [redacted] was lied to as to ownership of the buildings at the location in North East, MD. [redacted] that he did not have the money at that time, but he would try to replace [redacted]

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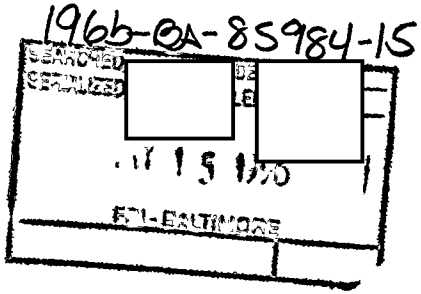
At that point in time, [redacted] and [redacted] became very suspicious as to the business ethics of [redacted] again demanded the return of his monies. [redacted] stated that after several telephone calls he received a $1,000 check from [redacted] subsequent months he has received five additional $1,000 checks. [redacted] stated he receives the checks after several telephone calls between himself [redacted] and [redacted] He stated the last check he received was during April of 1996. [redacted] stated he is still owed $800 by [redacted]

196b-BA-85984-15



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(03731/95)

95

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE **Date:** 05/06/1996

To: Baltimore **Attn:** SA [redacted]

b6
b7C

From: Philadelphia
Langdale PA
Con [redacted] (215) 368-6550

Approved By: [redacted]

[redacted] **afted By:** [redacted]

File Number(s): 196B-BA-85984 (Pending)

☐ NO BA LEADS FOUND
☒ CASES [redacted] 5/15
☐ UNI
☐ MANUAL

Title: [redacted]
dba GOLDEN TELECOM,
NORTHEAST, MD
FBW;
MF

Synopsis: [redacted] interviewed in the Philadelphia Division. Each provided descriptions of their business relationships with [redacted] All requested leads covered in the Philadelphia Division.

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Administrative: Reference Baltimore teletype to Philadelphia dated 03/11/1996; and telcall between SA [redacted] Philadelphia Division, and SA [redacted] Baltimore Division, on 04/10/1996.

[redacted]

Enclosures: For Baltimore are the following items:

1) Original and two copies of FD-302 reflecting interview of [redacted] along with agent's notes;

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2) Original and two copies of FD-302 reflecting interview of [redacted] along with agent's notes;

3) Various records from [redacted] and

4) Copies of checks from [redacted]

Details: On 04/10/1996, [redacted] was interviewed concerning her dealings with [redacted] provided details as to her relationship with [redacted] and also copies of her records.

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196-BA-85984-16
SEARCHED [redacted] INDEXED
SERIALIZED [redacted] FILED
MAY 15 1996
FBI - BALTIMORE

To: Baltimore From: Philadelphia
Re: 196B-BA-85984, 05/06/1996

On 05/03/1996, [redacted] was interviewed concerning his relationship with [redacted] He provided details regarding his dealings with [redacted] along with copies of the two checks [redacted]

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No further investigation being conducted by the Philadelphia Division.

♦♦

FD-302 (Rev. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/15/96

Corporal [redacted] North East Barracks, Maryland State Police, 2433 Pulaski Highway, North East, Maryland 21901, telephone [redacted] provided the following information regarding an investigation he conducted from [redacted] b6 b7C

He advised that his investigation was initiated as a result of a complaint by a [redacted] claimed that she had entered into a verbal agreement with [redacted] in which she purchased a pay telephone from him. After verbally agreeing to the purchase of the phone, she received a bill for $700.00 from Bell Atlantic. This outstanding balance was never mentioned by [redacted] When she obtained the agreement from Bell Atlantic, she determined that her signature (indicating her agreement to pay the outstanding balance) was a forgery.

[redacted] was subsequently interviewed by Corporal [redacted] and he stated that "Someone in his office" had signed the agreement to save time at [redacted] Corporal [redacted] noted that [redacted] and noticed no other employees at the Shady Beach Farm Lane address. Since [redacted] had already initiated civil action against [redacted] the criminal case was closed. Corporal [redacted] made available his interview reports of [redacted] b6 b7C

b6 b7C b7E

Investigation on 5/14/96 (tel[redacted]cally) [redacted]e, Maryland File # 196B-BA-85984-17 [redacted]

by SA [redacted] Date dictated 5/15/96

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FD-302 (Rev. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 5/6/96

[redacted] was interviewed at the office of the FEDERAL BUREAU OF INVESTIGATION (FBI), Red Bank Resident Agency, Tinton Falls, New Jersey (NJ). He was advised of the identity of the interviewing Agent through a display of credentials and further advised of the matter under investigation. He, thereafter, furnished the following information:

[redacted] advised that in approximately [redacted] he was looking in the Classified Advertisements of various newspapers for a business investment. [redacted] stated that in one of the newspapers he noticed an advertisement for a "Pay Telephone" business which guaranteed good revenues and pay telephone sites near [redacted] stated that he called the telephone number listed in the advertisement and spoke to a woman whose name he does not recall. [redacted] stated the woman described the him the pay telephone business and told him that he should meet with the owner of the business identified as [redacted] GOLDEN TELECOM. [redacted] stated that shortly thereafter, he traveled to North East, Maryland, and met with [redacted] at 80 Shady Beach Farm Lane, which [redacted] described as [redacted] stated that he spoke with [redacted] for several hours. [redacted] stated that initially [redacted] offered to provide him with approximately 100 pay telephones as well as locations for the phones to be installed for a cost of approximately $2,200 to $3,000 per phone.

[redacted] advised that in [redacted] executed a "standard equipment purchase agreement" in which [redacted] agreed to purchase 28 "Protel 2000" telephones for a total cost of $78,200. [redacted] advised that between [redacted] 1995, [redacted] delivered only 16 telephones and failed to provide any service on the telephones other than initial installation. [redacted] advised that during the first year, he regularly contacted [redacted] in an effort to receive the remaining phones and have them installed. [redacted] often did not return his calls and constantly provided excuses as to why the phones had not been delivered.

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Investigation on 5/2/96 at TINTON FALLS, NJ

File # 196B-BA-85984-18

by SA [redacted] Date dictated 5/6/96

This document [redacted]s of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

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[redacted] stated that in [redacted] he hired a collection agency to attempt to recover the money he had paid [redacted] Shortly thereafter, [redacted] come to Maryland to discuss the problem. [redacted] advised that he traveled to Maryland and once again met with [redacted] offer to assign several of [redacted] own phones in the Baltimore area to [redacted] in settlement of their dispute. [redacted] advised that over the course of several hours, they identified the specific phones which [redacted] alleged would return sufficient revenue to provide [redacted] a good return on his investment. [redacted] advised that 14 phones in the Baltimore area were identified. [redacted] agreed to assign those phones to [redacted] and returned to his residence.

Shortly thereafter, [redacted] to ask when these phones would be assigned to him and the revenues would begin accruing. [redacted] that he was having difficulty assigning the phones since the "service representative" who handled those phones refused to service them. [redacted] advised that [redacted] identified this person as [redacted] was familiar with from the installation of the phones that [redacted] had purchased for the Monmouth County, NJ area. [redacted] stated that GOLD told him that [redacted] refused to service only 14 phones on a route. [redacted] then said that an individual identified as [redacted] service the phones but that he would have to be trained. [redacted] stated that, therefore, there would be a delay before the phones were assigned to [redacted] then told [redacted] would service the phones himself. [redacted] stated that [redacted] laughed and told him that he could not go into those neighborhoods to service the phones because it was too dangerous. [redacted] stated that he never received any revenues from the phones nor were the phones ever assigned to him.

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[redacted] stated that over the past 18 months, he has paid out at total of [redacted] to [redacted] has received only 16 telephones, 6 of which were rendered inoperatable due to theft of the electronic devices. [redacted] explained that the cash box as well as the electronic components box of these particular phones were removed. [redacted] stated that his own investigation of the theft of these phones indicated that there is no evidence of forced removal of these devices. [redacted] stated that he further investigated and determined that the thefts had to have occurred between [redacted] obtained the telephone records for one of the telephones. At that particular phone the last calls were placed on January 14, 1996. [redacted] identified the final two telephone calls listed on the toll records for that telephone. The final two telephone calls were

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[redacted] stated that he placed to telephone number [redacted] had learned the subscriber to that telephone number is [redacted] stated is the same [redacted] who installed the telephones and who [redacted] indicated would service the telephones located in the Baltimore area on behalf of [redacted]

[redacted] advised that he is uncertain whether the theft of the telephone devices is related to his on-going dispute with [redacted] or is an unrelated theft possibly committed by [redacted]

[redacted] advised that in the past two months, he has tried repeatedly to talk to [redacted] He stated that one of the telephone numbers that he had previously used to contact [redacted] has subsequently been disconnected. [redacted] stated that even when he had been able to get through on that telephone number, it was answered by an answering machine. [redacted] stated that he always left a message for [redacted] failed to return any calls.

[redacted] provided copies of various documents located in his files with regard to the transactions involving the purchase of the telephones from [redacted] stated that he would continue to attempt to contact [redacted] regarding this matter and would contact the interviewing Agent if any new information developed.

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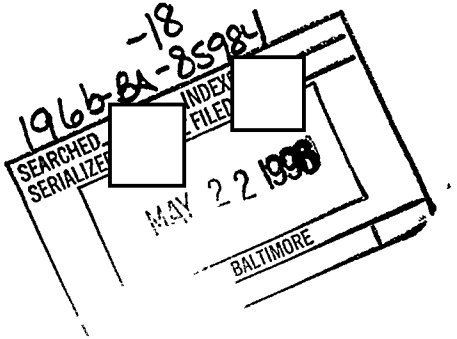
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196b-84-85984
SEARCHED
SERIALIZED
INDEXED
FILED
MAY 22 1996
BALTIMORE

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(03/31/95)

P5

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE **Date:** 05/06/1996

To: Baltimore

From: Newark
RBRA
Contact: SA [redacted] (908) 741-0006

Approved By [redacted]

Drafted By [redacted]

☐ NO BA LEADS FOUND
☒ CASE [redacted] 5/22 b6 b7C
☐ UNI
☐ MANUAL

File Number(s): 196B-BA-85984 (Pending)

Title: GOLDEN TELECOM,
80 SHADY BEACH FARM LANE,
NORTH EAST, MARYLAND;
FBW; MAIL FRAUD;
OO: BALTIMORE

Synopsis: To report results of interview of [redacted] to Baltimore.

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Administrative: Reference: Newark EC to Baltimore, dated March 7, 1996 and Baltimore teletype to Newark, dated March 15, 1996.

Enclosure: Enclosed for Baltimore are one copy each of various documents provided by [redacted] regarding a contract with [redacted] GOLDEN TELECOM to provide 36 pay telephones to [redacted] Also enclosed is a 1A envelope containing original interview notes of [redacted]

Details: On May 2, 1996, [redacted] was interviewed at the office of the Red Bank Resident Agency. The details of this interview are set out in enclosed Fd-302.

[redacted] was queried as to his willingness to conduct one or more consensual telephone conversations or wear a body recorder for a face to face meeting with [redacted] regarding the circumstances regarding the purchase of the pay telephones. [redacted] advised that he was willing to make recordings of the conversations with [redacted] however, he has been unable to speak to [redacted] for at least the past two months. [redacted] advised that since [redacted] telephone number has been disconnected, it would be pointless to plan to make a consensual telephone call until he has a new telephone number at which to reach [redacted]

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SEARCHED INDEXED
SERIALIZED FILED
2 1996
FBI - BALTIMORE
b6
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[redacted]

196B-BA-85984-19

To: Baltimore From: Newark
Re: 196B-BA-85984, 05/06/1996

It should be noted that [redacted] in Federal District Court alleging various counts of breach of contract against [redacted] It is expected that subsequent to the [redacted] would be reluctant to speak to [redacted] However, if Baltimore desires [redacted] to attempt to conduct any consensual conversations, Newark should be advised accordingly.

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Inasmuch as all pending investigation has been completed in the Newark Division, the leads set forth in referenced Baltimore teletype is considered covered and this matter is considered closed at Newark.

♦♦

(06/01/1995)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE **Date:** 06/10/1996

To: Baltimore

From: Baltimore
Squad 5
Contact: SA [redacted] Extension: 326 b6 b7C

Approved By: [redacted]

Drafted By: [redacted]

Case ID #: 196B-BA-85984 (Pending)

Title: GOLDEN TELECOM,
80 SHADY BEACH FARM LANE
NORTH EAST, MARYLAND;
FRAUD BY WIRE;
MAIL FRAUD
OO: BALTIMORE

Synopsis: To report results of interview with Assistant Attorney General Dale Cantone, [redacted]

Details: On June 7, 1996, Assistant Attorney General, Dale Cantone, Maryland Securities Division, Maryland Attorney General's Office, telephone [redacted] advised that his office has taken action against [redacted] under the Securities Act of the State of Maryland for violation of the Business Opportunity Law. Action was taken against the above individuals as a result of their activities in [redacted] with b6 a company called [redacted] The action b7C alleges that [redacted] (1) Did not register under the law with the Maryland Division Securities (2) There was no disclosure statement in his prospectus to buyers and/or purchasers. (3) No surety bond was obtained. Four (4) misrepresentations were made to prospective buyers or purchasers as to what earnings they could achieve. The law requires that there must be a disclosure in the prospectus. As a result of this action, [redacted] signed a letter of agreement in which he would agree not to violate the law, ie. the Business Opportunity Law.

Mr. Cantone was advised that [redacted] participation in a similar scheme, doing business as Golden Telecom, he may have again violated the above State law. It was agreed that contact would be made between writer and Assistant Attorney General

196B-BA-85984-20

SEARCHED [redacted] INDEXED [redacted]
SERIALIZED [redacted] FILED [redacted]
JUN 11 1996
FBI — BALTIMO [redacted]

b6 b7C b7E

[redacted]

FEDERAL BUREAU OF INVESTIGATION

To: Baltimore From: Baltimore
Re: 196B-BA-85984, 06/10/1996

Cantone to make him (Cantone) aware of the results of the FBI's investigation of [redacted] b6 b7C

♦♦

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 6/26/96

[redacted] provided the following information regarding his association with [redacted] doing business as Golden Telecom. b6 b7C

[redacted] advised that he contacted [redacted] at an 800 telephone number in response to an ad in the Virginia Pilot Ledgarstar, Norfolk, Virginia in July or August 1995. The ad noted that pay telephone routes were for sale.

After calling the number, he initially spoke to an individual named [redacted] He was told that he could purchase a pay telephone at approximately $3,000.00 each which would include the cost of the telephone and other equipment, the installation of the telephone, as well as the location of a suitable site. It would also be necessary that he [redacted] A percentage of the profits of the telephone would be paid to the site owner. [redacted] told him that an ideal site would be in a poor neighborhood, preferably next to public housing. b6 b7C

[redacted] one for $6,000.00 in August 1995 and the other $2,500.00 in September 1995. The extra $2,500.00 was for the added cost of exterior enclosures. Both sites were located in Norfolk, Virginia, however, it was determined initially by [redacted] and subsequently verified by [redacted] that there were problems with both sites. One site was sold and the other site owner went out of business. He believes this was in January 1996.

[redacted] advised that he believes having had two additional telephone conversations with [redacted] which it was agreed that [redacted] would locate two other sites. However, [redacted] never showed any progress in this area other than to indicate in a telephone message to [redacted] stating that he [redacted] would locate two other sites in Baltimore. When [redacted] called him back, he learned that both telephone numbers were facsimile phone b6 b7C b7E

Investigation on 6/25/96 [redacted] ephonically) timore, Maryland File # 196B-BA-85984 - 21 [redacted]

by SA [redacted] Date dictated 6/25/96

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numbers. As a result, [redacted] sent two different facsimiles to [redacted] phone message to him) to both phone numbers telling him that he agreed to new locations in Baltimore. He sent facsimiles to [redacted] He has not heard from [redacted] since.

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[redacted] was also sent a packet of information from [redacted] which showed a scale of average phone gross receipts varying in amounts from $150.00 to $800.00 per month. He was told that a realistic figure would be $150.00 per month. From these gross receipts, he would pay the site owner fifteen percent and the phone company a $30.00 monthly line charge leaving a net profit of approximately $100.00 per month. [redacted] was also told that if the original site was not profitable that he, [redacted] would have to bear the cost of locating another site. [redacted] advised that he would make available all the documentation he had obtained in this matter to the FBI.

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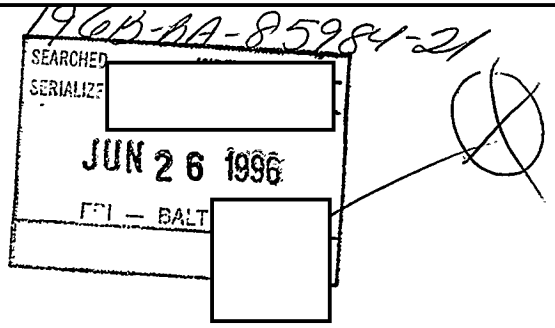
196B-BA-85984-21



FEDERAL BUREAU OF INVESTIGATION

Date of transcription 6/28/96

[redacted] provided the following additional information regarding her association with [redacted] doing business as GOLDEN TELECOM (GT): b6 b7C

[redacted] advised that she agreed to purchase numerous telephones from GT and made an initial deposit of [redacted] on July 26, 1995. She agreed to a contract for 10 phones as well as two free telephones. She was told that the cost of the phones would vary from $2,500 to $3,500. The cheaper phones were presumably interior phones with no prior use by BELL ATLANTIC. BELL ATLANTIC would charge $1,000 if their phone was replaced by a GOLDEN TELECOM telephone. [redacted] was that GT could convince the site owner that they would receive a higher commission on telephone calls by dealing with GT rather than BELL ATLANTIC. [redacted] advised that she later determined from BELL ATLANTIC that the actual charge was $500 and not $1,000. The cost of each phone would include a site location, the installation of the phone as well as the cost of the telephone and equipment. [redacted] said that he would also provide technical support and training which would include the monitoring of phones through computers. This computer monitoring would be for 24 hours a day and would identify any problems with each telephone. Later, this monitoring included software provided by GT. [redacted] that in the event phones had to be installed exteriorly, the cost would vary from $3,200 to $3,990. Exterior phones require enclosures. Also included in the contract was an association with a company called QUARTER CALL, which provided the caller with the ability to place a call anywhere in the United States for $.25. [redacted] later determined that this arrangement resulted in very little, if any, profit to her. b6 b7C

In mid August, 1995, she began experiencing problems with two phones which had presumably been installed at a gas station. When she inspected the site, it was determined that only one phone had been installed at this location, however, she

(telephonically)

Investigation on 6/28/96 at Baltimore, Maryland File # 196B-BA-85984 [redacted]

by SA [redacted] Date dictated 6/28/96 b6 b7C

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paid for two. When she spoke to the owner of the gas station, he claimed to have never heard of GT. When [redacted] that [redacted] had contacted the site owner, he reprimanded her and indicated that this would create problems for his "locators". At this point, [redacted] acted as his own locator. b6 b7C

On August 23, 1995, she and [redacted] traveled to two locations at the COMFORT INN and PENN TREATY in Pennsylvania, as well as 10 to 15 other locations. At PENN TREATY and the COMFORT INN, [redacted] the key for the telephones and told her to examine the weekly take for these telephones. She determined that the three had made $355.00 each. She opined that there was no way of determining if [redacted] had simply not placed money in these phones himself prior to their meeting.

On August 24, 1995, she gave [redacted] for 11 phones and two free phones for a total of 13. Together with the original [redacted] deposit, she had given him at this point a total of [redacted] She gave him an additional $15,000 on August 31, 1995 presumably for the cost of six more telephones. On September 15, 1995, she gave him a final payment of [redacted] The total payment was approximately [redacted] for 19 telephones.

In October, 1995, there were approximately 14 telephones that had been installed, however, none was operable. The reason was that improper computer software had been installed. She also determined that many of the telephones were put together with old parts making it impossible for the phone to accept money and place calls. [redacted] said that he sent a repairman to these phones but without success. Finally, [redacted] at his residence in [redacted] suggested that [redacted] attempt to fix the computers because of his computer expertise. He too was unsuccessful. After this, [redacted] contacted the phone distributors, NORTH ATLANTIC MARKETING, INC. The manufacturer was PROTEL. [redacted] purchased five new telephones from NORTH ATLANTIC as well as the supporting computer software. They apparently were able to fix an additional six of the telephones provided by GOLDEN TELECOM. [redacted] spent $5,000 to $6,000 for parts and new software. b6 b7C

In October, 1995, BELL ATLANTIC disconnected the COMFORT INN and PENN TREATY telephones. [redacted] advised that

contract with BELL ATLANTIC of Pennsylvania claiming that she had signed a contract with an outstanding balance. [redacted] noted that her signature had been forged presumably by someone that worked for GT.

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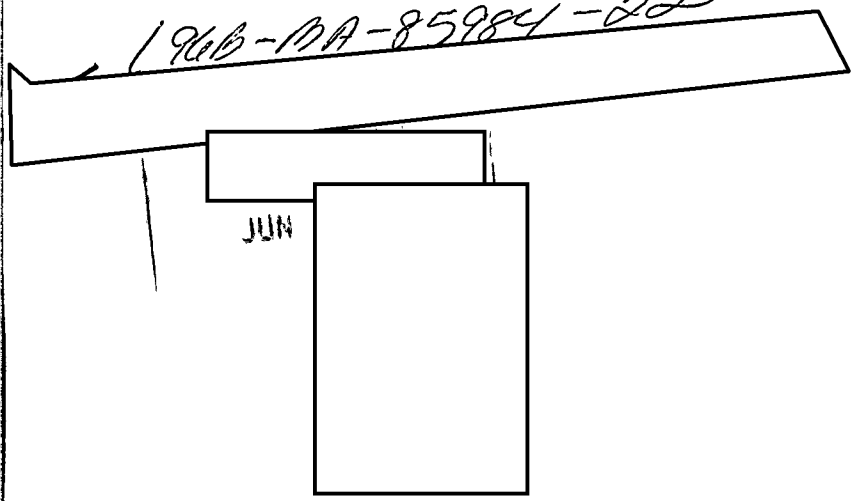
As of November, 1995, there are approximately 11 working telephones. All of the telephones that had been provided by GT needed repairs. [redacted] also noted that she had asked for a prospectus for GT which [redacted] refused to provide as he claimed he was not a franchise, but he was merely selling telephone equipment. [redacted] advised that there was also a problem in the contract with commissions from long distance service. She later determined that GT received all of the long distance commission and it wasn't until she identified the long distance carrier as [redacted] she began to receive commissions for long distance use. [redacted] had initially told her that the long distance carrier was [redacted] wherein fact it was not, it was [redacted] advised that she would provide all the documentation that she has in this case and make it available to the Federal Bureau of Investigation (FBI).

196-BA-85984-22



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FD-302 (Rev. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/1/96

[redacted] provided the following information regarding his association with [redacted] doing business as Golden Telecom.

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[redacted] advised that he answered an ad in a Raleigh, North Carolina newspaper called The News and Observer advertising the sale of telephones. Shortly thereafter, he contacted [redacted] who indicated to [redacted] that he could expect to make approximately $300.00 per month in profits on an average from each telephone. [redacted] later spoke to a local telephone expert and was told that the average profit is approximately $125.00 per month. [redacted] advised that the cost of the telephone was approximately $3,000.00 each which would include the phone, the location of a site and finally the installation of the phone. He believes that [redacted] may have offered support services as an option.

[redacted] agreed to purchase five telephones from [redacted] at a cost of $3,000.00 a phone. He gave him a check on October 19, 1994 for $3,000.00 as an up front payment. [redacted] locator eventually found five locations in the Raleigh area. Of the five locations, three were totally unsatisfactory. The other two locations were a result of leads obtained by [redacted]

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[redacted] advised that he travelled to North East, Maryland to speak to [redacted] personally in September-October 1994. During this meeting, [redacted] showed him several phone locations in the North East area and convinced [redacted] that the pay telephone business would be a successful business venture.

[redacted] advised that he may have made one or two additional payments to [redacted] By January 1995, he had not received any of his phones and was placed in touch with [redacted] installer in Pennsylvania. [redacted] agreed to give five telephones to [redacted] name from a former salesman of

(telephonically)

Investigation on 7/1/96 at Baltimore, Maryland File # 196B-BA-85984 -23

[redacted]

by SA [redacted] Date dictated 7/1/96

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[redacted] were not convinced that [redacted] was dealing honestly with his clients. It was [redacted] belief that [redacted] was using much of his clients' money to install phones in his [redacted] Eventually, [redacted] found his own telephone sites and paid for the installation of the five telephones he obtained from [redacted] He believes he may have received one other phone call from [redacted] who may have provided him with leads of installers. Neither [redacted] offered to make any refunds to [redacted]

[redacted] conceded that he owed [redacted] an additional [redacted] but noted that [redacted] offered nothing in the way of site locations and installations which was part of the fee.

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[redacted] believed that the payment schedule was as follows: Thirty percent up front, an additional fifty percent would be paid upon the delivery of the telephones, the final twenty percent being paid when the phones were installed.

[redacted] advised that [redacted] may have also told him that a Southern Bell telephone site would be a good location. It would be necessary to convince the site owner that Golden Telecom offered a higher commission than Southern Bell. [redacted] found this to be partly true. [redacted] reiterated that he has not heard from [redacted]

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196B-BA-85981-23

JUL 0 1 1996

FBI

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(06/01/1995)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE **Date:** 07/02/1996

To: Baltimore

[redacted] Baltimore
Squad 5
Contact: SA [redacted] X326

ed By: [redacted]

d By: [redacted]

D #: 196D-BA-85984 (Pending)

[redacted]
GOLDEN TELECOM;
FBW;
OO: BA

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Synopsis: Contact [redacted]

Details: Subpoenaed records in captioned case reflect that [redacted] paid Golden Telecom in the form of a check drawn on the Wilmington Trust Company for [redacted] on November 3, 1994 and [redacted] on November 28, 1994. The information operator of the Bell Telephone Company advised that the [redacted] have a non-published telephone number.

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196D-BA-85984-24

[redacted]

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JUL 5 1996

[redacted]

[redacted]

To: Baltimore From: Baltimore
Re: 196D-BA-85984, 07/02/1996

LEAD(s):

Set Lead 1:

BALTIMORE

AT WILMINGTON, DELAWARE

Will contact [redacted] at [redacted] and obtain their telephone number. Advise that they will be contacted by writer shortly.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/3/96

[redacted] provided the following information regarding his association with [redacted] doing business as (dba): Golden Telecom. b6 b7C

[redacted] advised that he contacted Golden Telecom in response to a newspaper ad in November 1994. He initially spoke to a sales person named [redacted] His subsequent contacts with the company were with a sales person named [redacted] Initially, he was given various references to verify the authenticity of Golden Telecom. These references were other businesses involved in the telephone business who had done business with Golden Telecom. He was later given other references who had purchased from the company. None of the references spoke negatively of the business.

On November 14, 1994, he sent a deposit of $3,000.00 to Golden Telecom. On December 12, 1994, he sent an additional [redacted] These funds represented approximately seventy percent of the total cost for five telephones. The balance would be paid after the installation of the phones. b6 b7C

He met with a locator in [redacted] named [redacted] claimed that he was from [redacted] to meet with [redacted] drove around the [redacted] for several hours discussing various telephone locations.

[redacted] advised that he later heard from [redacted] five sites had been located. When [redacted] attempted to verify these sites, he determined that three of the five site owners claimed they were never contacted by anyone from Golden Telecom. Two of the site owners recalled talking to a Golden Telecom representative but nothing official had been established. [redacted] told [redacted] had been paid $500.00 per site but never reported back to Golden Telecom after that. [redacted] said that he b6 b7C

(telephonically)

Investigation on 7/3/96 [redacted] e, Maryland File # 196B-BA-85984 - 25

by SA [redacted] Date dictated 7/3/96 b6 b7C

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would attempt to get another locator to identify other telephone sites for [redacted].

[redacted] advised that as of January 1995, he decided to discontinue his association with Golden Telecom. He made this decision because, in addition to the [redacted] he began to hear other negative comments about Golden Telecom. He noted, however, that in a contract signed by he and [redacted] that the contract indicated that once signed, it could not be canceled. He then contacted [redacted] and indicated that he no longer had an interest in pursuing this business venture. He also told [redacted] that [redacted] and it would be in his best interests not to pursue the telephone business. [redacted] told him that five telephones had been ordered and all were of the "Superman variety " (enclosed booth). This type of telephone was more expensive than other telephones because of the booth. [redacted] told [redacted] that he would send these five telephones to him. [redacted] declined and he and [redacted] arrived at a final figure to cancel their contract. [redacted] said that he would keep a total of [redacted] After agreeing to this figure over the telephone, [redacted] a letter dated February 21, 1995. [redacted] requested that [redacted] sign this letter as confirmation of their agreement to cancel the contract. When [redacted] suggested that the "Superman" booths be re-sold, [redacted] told him there is very little demand for this type of phone. Consequently, [redacted] would not include this in his final figure. When he did not hear from [redacted] indicated that he would be unable to return the funds because his business was running upon hard times. He indicated that his sales people were "ruining his business" or words to that effect. [redacted] also indicated that there had been a "mediation board" (not further described) assigned to his case and that he had hired an attorney. He indicated that the board would decide which of the company's clients would receive payment which would occur over a three to four year period. [redacted] also intimated that the remaining monies of the company were maintained in a trust fund and that the board would determine the payment plan for all the company's clients.

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On July 24, 1995, [redacted] a letter asking him to sign it confirming their agreement. When he did not hear from [redacted] telephoned him again. [redacted] said that he was advised by his attorney not to sign the letter. After this, [redacted] indicated that it became more and more difficult to reach [redacted] He wrote him another letter on November 13, 1995 and received a

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telephone call from an individual identifying himself as [redacted] indicated that Golden Telecom was in trouble, there was no more money and that [redacted] had left the State. He did not hear from [redacted]

[redacted] advised that he would make available copies of the original contract, as well as all written communication that he sent to [redacted] available to the FBI.

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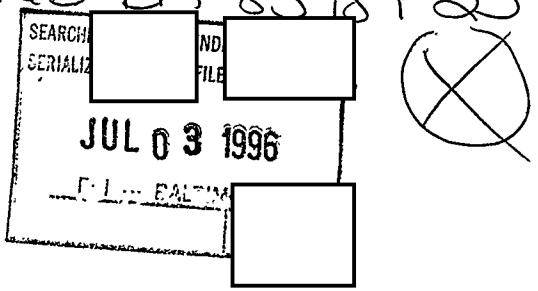
196B-BA-859984-25



FD-302 (Rev. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 7/25/96

[redacted] b6 b7C provided the following information regarding his contact with [redacted] doing business as Golden Telecom.

[redacted] advised that he answered an ad in the Wilmington News Journal in September 1994 promoting business opportunities. The ad gave an 800 telephone number to call which he did and spoke to one [redacted] On one or two occasions, [redacted] also indicated that he represented a company called [redacted] otherwise [redacted] made all references to his company as Golden Telecom (GT). After telephoning [redacted] in late-September or early-October, 1994, he made arrangements to meet him in North East, Maryland. [redacted] described the services of GT to [redacted] b6 b7C

(1) GT would find each phone location;

(2) GT would purchase the proper equipment for the owner/client;

(3) GT would handle all contracts to include contracts with the current site or location owner;

(4) GT would handle all paperwork for permits both for the city and state involved. GT would ensure that each phone passed state inspections;

(5) GT would handle all paperwork for the appropriate long distance carriers such as Bell Atlantic etcetera;

(6) GT would ensure that the phones were installed by an independent telephone installer and ensure that all paperwork was prepared for phone operation.

[redacted] he travelled to North East, Maryland with his [redacted] at [redacted]

b6 b7C b7E

(telephonically)

Investigation on 7/24/96 [redacted] Maryland File # 196D-BA-85984 -24

by SA [redacted] Date dictated 7/25/96

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At the meeting, [redacted] explained the income potential to [redacted] claiming that each phone should realize a profit of $150.00 per month. [redacted] said that GT was unique compared to other telephone companies in that they would not assume a location for the client unless a current revenue statement could be obtained from the current site owner reflecting a desirable income ($150.00 per month per phone). According to [redacted] GT could offer the site owner a higher percentage of profits then the phone company he [redacted] was currently dealing with. [redacted] also said that his company was unique in that they offered a twenty-five cents a minute anywhere in the U. S. promotion. [redacted] determined this promotion was not unique to GT. b6 b7C

[redacted] advised that each phone would vary in cost to the client from $2,990.00 to $3,400.00. The most expensive would be a "Superman Booth" which would be used in the event an inside location was not available. [redacted] sign a contract and that all fees be paid "up front" to him [redacted] b6 b7C

[redacted] again on or about October 6, 1996 and signed a contract. He later mailed a deposit of [redacted] dating his check October 6, 1994.

In the contract, [redacted] agreed to the purchase of twenty-three telephones at varying costs from [redacted] However, within weeks, [redacted] began experiencing difficulties with [redacted] The initial problems occurred in identifying site locations. He noted that in the contract, [redacted] wanted all the sites to be located in New Castle County, Delaware. [redacted] said that he used the "squeaky wheel" approach with [redacted] in that he constantly called him requesting an update. [redacted] recalled that the problem in locating telephone sites became so great that he physically travelled with [redacted] would frequently claim that his locator was out-of-town or unavailable. He paid [redacted] on November 3, 1994 and a final payment on November 28, 1994 of [redacted] He noted that with each payment, [redacted] would give more attention to [redacted] contract. [redacted] noted that due to the attitude that he took with [redacted] cut back on the service to his [redacted] other clients. One such person as a [redacted] (phonetic spelling). [redacted] also noted that he continued to threaten [redacted] did not abide by the contract. b6 b7C

By January 1995, [redacted] had still received only fourteen to sixteen telephones out of twenty-three that he agreed to in the contract. He noted that the only portion of the contract that [redacted] adhered to was the ordering of the telephone equipment [redacted] noted that he travelled with [redacted] identify site locations. Although [redacted] the quality was extremely poor and he experienced numerous problems as a result of the inferior paperwork done by [redacted] He also noted that [redacted] was to arrange for an independent telephone installer. Eventually, [redacted] made contact with the installer to arrange for installation himself. [redacted] remembered frequent problems with the current site owners. For example, [redacted] would arrange for Bell Atlantic to take out its phone so that a new phone could be installed. There was frequently a three to four week delay in the installation of the new telephone which in many occasions alienated the site owner with the client. It was because of this that [redacted] made contact with the independent telephone installer himself rather than to rely on [redacted] The primary installer was [redacted] also recalled that several of the phones had to be disconnected because of contractual problems with the current site owner. This also prompted [redacted] to locate new sites himself rather than to rely on [redacted]

Because of the above-described problems, [redacted] informed [redacted] in January 1995 that he no longer desired to do business with him. [redacted] that he [redacted] was not adhering to their contract. [redacted] countered with the above-described problems as the reason he [redacted] was breaking the contract. Shortly after this, [redacted] advised that he suspected [redacted] of re-routing his long distance fees to his [redacted] telephones. He said that this could be verified if [redacted] long distance carrier could be identified. By comparing long distance bills, it could be showed that [redacted] in fact, diverted operator assisted fees to his own long distance carrier from [redacted] He suspected that this was done in the late-Spring, early-Summer of 1995. [redacted] with this situation. [redacted] noted that since [redacted] actually broke the contract, this gave him [redacted] the right to divert funds from [redacted] telephones to his [redacted]

[redacted] advised that he believes [redacted] is currently residing in [redacted] He is sure that a victim named [redacted] could

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be located through [redacted] advised that he would make copies of all notes that he took in his contacts [redacted] and make them available to the FBI.

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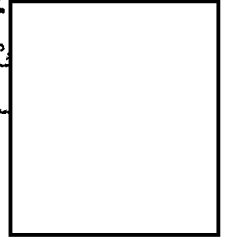

FD-302 (Rev. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 9/12/96

[redacted] was interviewed at the office of his attorney [redacted] 17 East Front Street, Media, Pennsylvania, telephone [redacted] and thereafter provided the following information regarding his association with [redacted] doing business as Golden Telecom. b6 b7C

[redacted] advised that in 1992 or 1993 he met [redacted] who was then working as a [redacted] The owner of [redacted] was a [redacted] said that he was interested in getting into the phone business and bought a package of public telephones from [redacted] consisting of eleven phones for approximately [redacted] This was the cost for location and installation, as well. Although [redacted] he was extremely ignorant of the inner-workings of the business other than the computerized portion of it. He never learned any of the intricacies of installation.

As a result of his experience, he [redacted] gained through the purchase of public telephone packages from [redacted] he has become knowledgeable in all aspects of the business and it is now his only source of income. He orders, installs and obtains sites on his own and operates each of them. He does not offer any of them for sale to outside clients. He considers this aspect of the business to be counterproductive. He feels it would be difficult, if not impossible, to maintain this part of the business and make money honestly. b6 b7C

[redacted] said that he did not hear from [redacted] for several months. He [redacted] received a telephone call from [redacted] was starting his own company and needed [redacted] expertise as an [redacted] was operating as [redacted] worked with a [redacted] (phonetic spelling) who he [redacted] believes resides in [redacted] operated a public telephone b6 b7C b7E

Investigation on 9/11/96 [redacted] ennsylvania File # 196D-BA-85984 -27

by SA [redacted] Date dictated 9/12/96

This document contains neither recommend[redacted] it and its contents are not to be distributed[redacted]

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business and presumably allowed [redacted] to use the company name until he got started. There is also another company in Baltimore operating as [redacted] later re-named his company, Golden Telecom.

[redacted] said that [redacted] has been renting a home from a [redacted] (phonetic spelling) who he believes is a [redacted] and has a [redacted] The home is on [redacted] is building another expensive home for himself on the property. The original home is old and quite large, but very impressive from the exterior. Frequently, [redacted] brought clients to his residence inferring that he owned it, and the new home. He reiterated that [redacted] was an excellent salesman but having little other expertise in the public phone business.

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[redacted] said that he agreed to install phones for [redacted] Because of [redacted] he [redacted] also ordered much of the equipment for him [redacted] He believes that [redacted] may have been previously purchasing much of his equipment from [redacted] also did some site location himself. When [redacted] started, there were also other people that [redacted] had hired, including sales people. [redacted] said most of these individuals also lacked knowledge about the business. He believes that [redacted] did much of the telephone sales himself.

[redacted] said that he overheard [redacted] making portions of his sales pitches over the phone. He [redacted] frequently misrepresented the business opportunities available to clients in an effort to sell phones to them. One obvious misrepresentation was the claim that each phone could make two to three hundred dollars profit per month. One hundred to one hundred and fifty dollars would be more accurate. [redacted] stated that money is earned in the telephone business from two sources: one, commissions from credit card long distance phone use and two, money obtained from coins inserted in the phones for local use. A long distance carrier must also be found. [redacted] prime long distance carriers is a company called [redacted] is sure that [redacted] rarely explained to any of his prospective clients how the system works, particularly how commissions are earned through credit card use. [redacted] knows from talking to a [redacted] that

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[redacted] appears to be keeping much of the credit card commission for himself, from the phones he sells to others. [redacted] assumes that [redacted] for phones that he owns as well. [redacted] has observed on at least one occasion, [redacted] taking coins from the telephones of his [redacted] generally kept a key to each of the phones that he sold and gave two keys to the client. He confronted [redacted] with this issue and [redacted] reluctantly admitted that he did this (taking coins from the telephone of one of his clients).

[redacted] also noted that [redacted] has the ability to re-program all of the telephones that he owned, as well as phones he sold to clients. He doubts that [redacted] told his clients this either. [redacted] receives calls from [redacted] clients inquiring about their commission checks. [redacted] also enters into agreements with various long distance carriers and receives large up-front commissions for these contracts which have a duration of only several months. Each time he entered into a new contract, he re-programmed each of his phones and his clients'. On many occasions, he would enter into a second contract before the expiration of the first. The long distance carrier would not be aware that [redacted] was re-programming the phones.

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With regard to the telephones [redacted] [redacted] said it appeared that [redacted] arranged for the credit card commission for these phones to be sent to him [redacted] directly from the long distance carriers. [redacted] confirmed this. The bill for the use of the phone is sent to the client. The long distance carrier would not have knowledge as to the identity of the owner of each telephone. Local carriers such as Bell Atlantic would send their billing statement to the telephone owner for line use. Separate agreements must be made between the phone owner and the long distance carrier. [redacted] obtains phone numbers from local carriers and furnishes them to the long distance carrier. Most of his clients are not aware that all or part of their commission checks are being sent to [redacted]

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[redacted] advised that during a period of twelve to fourteen months, beginning in late-1993, he performed service, installation, as well as equipment ordering for [redacted] He is not sure why [redacted] continues to stay in the business of selling telephones other than the fact

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that he is lazy and surely dishonest. [redacted] is clearly not a good business man. He also operates his business under the "robbing Peter to pay Paul" theory. Most of the phones that [redacted] owns are in the Baltimore area. He described the State of Maryland as "Virgin territory" in the pay telephone business. Because of the various laws that govern the industry, most other surrounding states are virtually saturated. He suspects that [redacted] uses much of his money obtained by fraud to purchase telephones for himself. However, he has no direct knowledge of this.

Although [redacted] does claim to locate sites for his clients, he does this portion of the business haphazardly, as well. Frequently, [redacted] clients and because the site locations were so poor, phones are taken out several months later because of the lack of business. [redacted] generally obtained all of his money from his clients "up front." [redacted] will try to review his records in order to identify as many of [redacted] as he can. He is not sure if he kept all his records.

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[redacted] knows one [redacted] who was victimized by [redacted] said that he still maintains contact with [redacted]

[redacted] provided the following information regarding certain clients that he [redacted] on behalf of [redacted] One client was a [redacted] five telephones to install for [redacted] When [redacted] arrived at [redacted] constantly questioned when he [redacted] was going to return and install the remainder of the phones. [redacted] had not told [redacted] anything about his arrangement with [redacted] only assumed that [redacted] only purchased five phones from [redacted] This arrangement between [redacted] was very typical in that [redacted] was placed in the middle and made to look like the "bad guy" by [redacted] to his clients. [redacted] would tell the client that [redacted] didn't order enough phones or had the phones in his [redacted] possession and would install them later. [redacted] car phone number to [redacted] to contact [redacted] for the rest of his telephones. [redacted] always told the client to call [redacted] with problems. He believes that [redacted] approximately [redacted] for fifteen to twenty telephones. He assumes that [redacted] never received all of the telephones that he paid for.

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Another example was a case involving [redacted] (phonetic spelling) who resided in [redacted] She purchased ten phones from [redacted] picked out all the sites for [redacted] One site was in a small strip mall which [redacted] observed already had seven to ten other public telephones in place. It was naive at best to expect that [redacted] telephone could make any money. Within two to three months, almost all of the seven telephones installed by [redacted] for [redacted] had to be removed because they were not making money. [redacted] gave these phones back to [redacted] After this, [redacted] would frequently call [redacted] asking for the status of her phones. Again, [redacted] was placed in the middle by [redacted] advised that frequently he would order telephones for [redacted] and store them in his [redacted] warehouse for later installation for [redacted] On one occasion, [redacted] gave [redacted] approximately ten new telephones which [redacted] gave to [redacted] When he told [redacted] what he had done, [redacted] was extremely upset claiming he never intended that these phones were for [redacted] but for another client. [redacted] that he [redacted] still had an obligation to [redacted] believed that [redacted] is in the phone business and located sites on her own for all of her telephones and is operating her business independently of [redacted] He suspects many of [redacted] clients did the same thing.

[redacted] advised that [redacted] obtains clients through newspaper advertising. He noted that he [redacted] still continued to run an ad in the Philadelphia Inquirer until about two weeks ago. He stated that [redacted] also attempts to obtain clients out of his immediate area, that is Maryland, Delaware, New Jersey, Pennsylvania. In addition to the sale of equipment, [redacted] to locate a profitable site and install the phone there. Again, [redacted] feels that this is typical of [redacted] and deceptive business practices since it would be economically impossible to service clients more than two to three hours drive from Maryland. On several occasions, [redacted] would tell [redacted] to install phones in Georgia or the Carolinas. [redacted] that it would be highly unprofitable for both of them to do this as [redacted] would have to pay him [redacted] not only an installation fee but travel and expenses as well. However, [redacted] continued to ask [redacted] to do this. Each time, [redacted] refused. b6 b7C

[redacted] recalled an individual who lived in [redacted] who purchased five telephones from [redacted]

will attempt to identify him through his own records. This individual purchased phones from [redacted] some time in the Winter of 1994/1995 and began calling [redacted] regarding the status of his telephones. [redacted] said that he had the phones in his possession but told [redacted] he was not going to install them for him [redacted] Eventually, the individual drove from [redacted] He thanked [redacted] for his assistance. Again, this situation was typical in that [redacted] would tell his client that [redacted] had the responsibility to install the phones and service them. [redacted] said that he retained an attorney to represent him [redacted] because he assumed that most of [redacted] clients had more contact with him [redacted] and may have concluded that he [redacted] was the guilty party.

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b7C

He recalled another incident where [redacted] in [redacted] that had purchased approximately forty phones from [redacted] to install them and [redacted] reiterated that he would not install telephones for [redacted] outside Maryland, Pennsylvania, New Jersey and Delaware. [redacted] advised that phone installation is complex. In many instances, he would have to prepare the site, install a cement foundation, allow this to cure, and return and make the actual installation and line hook-up. [redacted] said that under optimum conditions, he could install three phones per day. Many installations would take at least a half a day. On one occasion, [redacted] to install a phone presumably to learn installation. It was obvious to him [redacted] never had any intention of learning phone installation. [redacted] was the type of individual that "Would never get his hands dirty."

b6
b7C

Later, [redacted] entered into a business arrangement with one [redacted] (phonetic spelling) who did business as [redacted] but has no real knowledge of the phone business but is a good businessman. [redacted] was not misled by [redacted] deceptive demeanor but was impressed by his [redacted] salesmanship. He believes [redacted] with as many as 150 telephones. Another individual named [redacted] who may reside in [redacted] does installation for [redacted]

b6
b7C

[redacted] advised that [redacted] frequently gives non-sufficient funds checks to his vendors. One such vendor was

Renault Telephones. He gave them a check for [redacted] which was returned unpaid. He believes that [redacted] eventually made the check good. He also noted that [redacted] certainly has knowledge of all of [redacted] fraudulent operations as she writes most of the checks and presumably is aware of the balance in the checking account. He also noted that [redacted] has also been victimized by [redacted] He believes [redacted] may have purchased two phones from [redacted] which were installed somewhere in the city of North East, Maryland. He is not sure if [redacted] still rents from [redacted]

[redacted] reiterated that he will review all of his records as they related to his association of [redacted] and make them available to the FBI.

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b7E

[redacted]

1960-BA-85984

[redacted]

SEARCH [redacted] INDEX
SERIALIZ [redacted] FILED

SEP 12 1996

FBI — BALTIMORE

[redacted]

FD-302 (Rev. 3-10-82)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 10/8/96

[redacted] provided the following additional information regarding his association with [redacted] doing business as (dba), Golden Telecom. b6 b7C

[redacted] reiterated that he had contracted to purchase twenty-eight telephones from [redacted] He paid [redacted] in the form of checks from October 26, 1994 to January 10, 1995. The first installation took place in March 1995 and a total of fifteen phones were installed through May 1995. Of this number, six phones were stolen and the nine remaining phones had various problems, leaving five workable telephones.

In approximately October of 1995, he met personally with [redacted] in North East, Maryland and [redacted] attempted to sell [redacted] additional telephones rather than make good on the original contract. [redacted] explained to [redacted] that his [redacted] was currently installing phones for customers who owned one hundred telephones or more. He inferred that [redacted] would get better service if he, too, owned one hundred telephones. It was shortly after this meeting that [redacted] decided that [redacted] had no intention of making good on his original contract and he stopped payment on additional checks that he had given to [redacted] noted that he had already re-mortgaged his home for the initial [redacted] and he could hardly afford to lose any more money. b6 b7C

[redacted] noted in the original contract that sub paragraph seven states in part..."You shall receive a check and a statement each month (for long distance service)." [redacted] advised that he has never received any statement from [redacted] He has received approximately five to six checks for long distance service in 1995 and 1996 totalling approximately [redacted] has never indicated how the money is broken down by telephone. [redacted] provided a list of the following telephone numbers that was given to him by [redacted] b6 b7C b7E

(telephonically)

Investigation on 10/8/96 [redacted], Maryland File # 196D-BA-85984 -28 [redacted]

by SA [redacted] Date dictated 10/8/96

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your age[redacted]

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b7C

[redacted]

b6
b7C

[redacted] advised that he has contacted officials at [redacted] and initially he was told that they could not provide him [redacted] any information as they have a contract with [redacted] reiterated that he had only received long distance commission checks from [redacted]

b6
b7C

[redacted] advised that he has filed a summons in a civil action that he is taking against [redacted] in U. S. District Court in New Jersey for Breech of Contract. [redacted] advised that he is not represented by an attorney. The civil action was filed on March 15, 1996 and the defendants have not yet filed a response or given dispositions.

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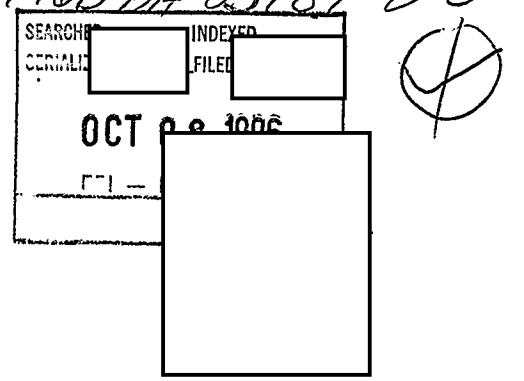
196D-HA-85984-28



(06/01/1995)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE **Date:** 07/16/1996

To: Baltimore **Attn:** Squad 5
SA [redacted]

From: SA [redacted]
17/WRA

b6
b7C

Approved By: [redacted]

Drafted By: [redacted]

Case ID #: 196D-BA-85984 (Pending)

Title: [redacted]
GOLDEN TELECOM;
FBW;
OO: BA

Synopsis: To advise Baltimore of results of lead regarding the captioned case.

Reference: 196A-BA-85984 SERIAL 24

Details: SA [redacted] spoke with [redacted] on 07/15/1996 at 6:10 pm at his place of residence, [redacted] stated [redacted] stated he was [redacted]

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b7E

196D-BA-85984-29

SEARCH [redacted] INDEX
SERIAL [redacted] FILED
[redacted]
FBI — BA [redacted]

[redacted]

(06/01/1995)

FEDERAL BUREAU OF INVESTIGATION

Precedence: ROUTINE **Date:** 02/13/1997

To: Baltimore

From: Baltimore
Squad 5
Contact: SSA [redacted]

Approved By: [redacted]

Drafted By: [redacted]

b6
b7C

Case ID #: 196D-BA-85984 (Closed)

Title: [redacted]
GOLDEN TELECOM,
NORTH EAST, MARYLAND;
FBW; MF;
OO: BA

Synopsis: This communication will serve to close captioned matter administratively.

Details: Captioned matter was opened and assigned on 2/24/95. Case Agent [redacted] investigated this matter up until his assignment to a long term TDY assignment in Washington, D.C.

Investigation to date reveals that subject [redacted] participated in questionable business dealings with individuals involving the sale of pay telephones. [redacted] solicited investors from several states including Maryland, Pennsylvania and New Jersey. Investors provided money to [redacted] exchange for his installation of pay telephones on their behalf. While in most cases [redacted] did make some of the installations, he generally overstated the amount of income potential and never completed his end of the contract.

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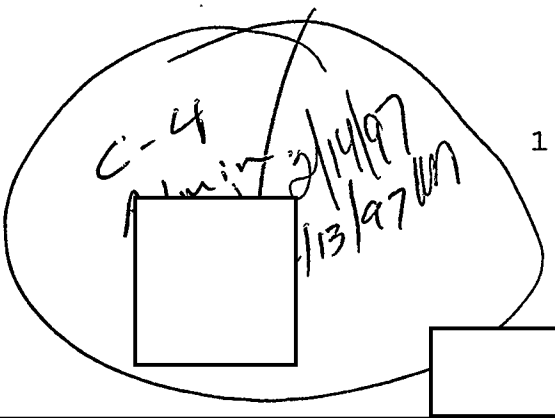
b7C

While it appears that [redacted] has violated both mail and wire fraud statutes it should be noted that civil remedies also exist for the victims in this matter. In view of the fact that SA [redacted] will be away from the Squad for an undetermined length of time combined with the current Agent staffing level and investigative priorities of Squad 5, this case will be closed administratively.

b6
b7C

♦♦



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